هكذا من الاصل

The Global Newspaper
Edited in Paris
Printed Simultaneously
in Paris, London, Zurich,
Hong Kong, Singapore,
The Hague and Marseille

WEATHER DATA APPEAR ON PAGE 16

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

No. 32,038 08/86 ** PARIS, SATURDAY-SUNDAY, FEBRUARY 22-23, 1986 ESTABLISHED 1887

Algeria	6.00 Dn.	Israel	NIS 1.50	Norway	7.50 N.Kr.
Austria	20 S.	Italy	1,700 Lire	Oman	0.700 Rials
Bahrain	0.650 Din.	Jordan	450 Fils	Portugal	110 Esc.
Belgium	40 B.F.	Kenya	K.Sh. 20.00	Qatar	6.50 Riyals
Canada	C$1.50	Kuwait	500 Fils	Rep. of Ireland	70 P.
Cyprus	C£0.70	Lebanon	LL 5.50	Saudi Arabia	6.00 R.
Denmark	9.00 D.Kr.	Libya	L.Dn. 0.35	Spain	125 Ptas.
Egypt	175 P.	Luxembourg	49 L.F.	Sweden	7.50 S.Kr.
Finland	7.50 F.M.	Madeira	120 Esc.	Switzerland	2.30 S.Fr.
France	6.50 F	Malta	35 Cents	Tunisia	0.550 Din.
Germany	2.50 D.M.	Morocco	6.50 Dh.	Turkey	T.L. 700.00
Great Britain	50 P.	Netherlands	2.90 Fl.	U.A.E.	6.50 Dirh.
Greece	100 Dr.	Nigeria	170 K.	U.S. Mil. (Eur.)	$0.85
Iran	115 Rials			Yugoslavia	340 D.

Reagan Studies 2 Arms Plans Aimed at Concerns of Allies

By Michael R. Gordon
New York Times Service

WASHINGTON — President Ronald Reagan is now considering two alternative approaches to respond to the most recent Soviet arms proposal, both intended to allay allied concerns, administration officials said.

On Jan. 15, Mikhail S. Gorbachev, the Soviet leader, proposed that all nuclear weapons be eliminated by the year 2000.

Initially, Mr. Reagan welcomed the plan as potentially positive, but officials have been divided over whether it contained constructive ideas or was a Soviet ploy.

One of the approaches now being considered by the United States is intended to address Japan's concerns, officials said Thursday. It would eliminate all U.S. and Soviet medium-range missiles from Europe, confine the Asian deployment of Soviet SS-20 medium-range missiles to Soviet Central Asia, and allow the Americans to store an offsetting number of missiles in the United States.

The other approach, intended to satisfy Western Europe, would set overall limits on SS-20s without specifying where they could be deployed and would permit some U.S. medium-range missiles to be kept in Europe.

Mr. Gorbachev had proposed that all U.S. and Soviet medium-range missiles be removed from Europe during the first phase of a three-phase process.

He also asked that the British and French freeze their missile arsenals and that the United States forgo the transfer of missiles to other countries. Mr. Gorbachev did not address the issue of missiles in Asia.

Mr. Reagan's initial proposal, presented to the allies, accepted the removal of U.S. and Soviet missiles from Europe. But he also suggested that the Soviet Union reduce its force of SS-20 missiles in Asia by 50 percent and he rebuffed the suggestion of a freeze on British and French arsenals.

The proposal evoked different responses among the allies. Japan voiced concern that security problems in Asia were being treated as secondary to Europe's. Britain and other West European nations said they preferred leaving some medium-range missiles in Europe.

West Germany asked for assurances that an arms agreement would also deal with the issue of shorter-range missiles, such as Soviet SS-22s, administration officials said.

The West Germans also suggested that the United States respond to all of Mr. Gorbachev's wide-ranging plan.

Under the new U.S. approach intended to satisfy Japan, the Soviet SS-20 force in Asia, now estimated at 170, would be cut in half, and it would be confined to Central Asia, far from Japan.

Officials said there were now about 90 SS-20s at two Central Asian installations, within range of parts of Europe and Asia. The Americans would have the right to match the deployment with an equal number of medium-range missiles kept in the United States. Other medium-range missiles would be destroyed.

Under the global limit on medium-range missiles that is meant to respond to West European concerns, the number of SS-20 missile launchers would be reduced to

(Continued on Page 4, Col. 5)

American Spy for China Commits Suicide in Jail

Compiled by Our Staff From Dispatches

MANASSAS, Virginia — Larry Wu-Tai Chin, the retired CIA translator who was found guilty of spying for China, committed suicide Friday, the U.S. Marshals Service said.

Mr. Chin, 63, killed himself by placing a plastic bag over his head, said a Justice Department official who spoke on condition of anonymity. An autopsy is scheduled for Saturday morning.

He was being held in the Prince William County jail pending sentencing March 17. Convicted on 17 counts of conspiracy, espionage and tax evasion, he faced a maximum sentence of life imprisonment and fines of up to $2.5 million.

Mr. Chin, who was born in Beijing and became a U.S. citizen in 1965, was the first American ever convicted of spying for China.

At his conviction Feb. 7, his attorney, Jacob Stein, said his client had spied for China because "he wanted to bring these two nations together."

A Federal Bureau of Investigation affidavit said Mr. Chin had spied for China for 30 years, starting when he was working as a contract employee for the Central Intelligence Agency. From that time on, Mr. Chin routinely took secret information from his CIA offices, the Federal Bureau of Investigation said.

Mr. Chin has said that he did not begin stealing documents until 1970, when he found a classified message from President Richard M. Nixon to Congress that revealed the administration's hopes for reconciliation with China.

Reuters-UPI

Larry Wu-Tai Chin

He said he took the document in the hope that it would bolster the pragmatic faction in Beijing and accelerate a warming of relations.

Beginning in 1970, Mr. Chin was an employee of the CIA's Foreign Broadcast Information Service, which monitors and translates foreign radio broadcasts and publications.

In that job, he had access to a wealth of classified material, including interagency memos and reports prepared for the White House.

In what apparently was his last interview, Mr. Chin told CBS News on Wednesday that his passing of information to China was "legally wrong but morally right."

Mr. Chin said the more than $180,000 he received from Chinese intelligence agents was "only a byproduct" of that mission. He only took the money because the Chinese would not believe his information if it "came free," he said. *(AP, UPI)*

Reuters

Students in Manila demonstrated Friday against Mr. Marcos and the United States.

House Committee Slashes $2.3 Billion From Reagan's Foreign Aid Request

By Joanne Omang
Washington Post Service

WASHINGTON — The House Foreign Affairs Committee has voted to trim $2.3 billion from President Ronald Reagan's foreign aid request for the 1987 fiscal year. Committee leaders said the 13.5-percent cut reflected the requirements of the Gramm-Rudman-Hollings budget control act.

The action, which came on a voice vote Thursday, would authorize $15 billion for foreign aid and State Department operations in fiscal 1987, which begins Oct. 1. This would be a reduction of $476 million, or 3 percent, from the amount appropriated in fiscal 1986.

The committee acted with unaccustomed haste to reduce the Reagan administration's $17.3-billion request. Dante B. Fascell, a Democrat of Florida and the committee chairman, told the the panel, "we can let the Budget Committee decide which programs are going to be cut and how, or we can do it ourselves."

The aid bill must be approved by both houses of Congress and signed by the president before it takes effect.

Congressional criticism of Mr. Reagan's proposed budget request had focused on the fact that he outlined sharp cuts in every area except defense and foreign aid.

Mr. Fascell said the totals represented "tough decisions." However, the committee left until later the more difficult decision of how to distribute the cuts among military and economic aid programs and State Department operating funds, and then how to allocate the money among individual nations.

In addition, the committee figures assume that the administration's request for $1.4 billion to begin a five-year program of security improvements to U.S. facilities abroad will be dealt with separately.

Representative Doug Bereuter, a Republican of Nebraska, said he wanted to make sure that the committee would not be faulted for its budget decisions in the event of a terrorist attack on a U.S. facility abroad.

Representative Daniel A. Mica, a Democrat of Florida, assured him that there had been "no decision to accept any less" than Mr. Reagan's recommendation for the security program. Mr. Mica is chairman of the Foreign Affairs subcommittee on international operations, which handles the State Department authorization.

■ New U.S. Strings on Aid

Martin Tolchin of The New York Times reported from Washington:

Reagan administration officials have declared that the extent of United States assistance for some developing countries would depend on their efforts to transfer public

(Continued on Page 3, Col. 7)

Marcos Attacks Foreign Critics As 'Imperialists'

By Michael Richardson
International Herald Tribune

MANILA — President Ferdinand E. Marcos lashed out Friday at what he called outside meddling, as foreign diplomats continued to hold meetings with Corazon C. Aquino, the opposition leader who is challenging his right to rule.

Meanwhile, as Mr. Marcos struggled to maintain his authority at home and abroad amid growing criticism, there were reports of factional struggles in the nation's armed forces, one of his main bases of power.

Mr. Marcos issued a statement Friday attacking "modern-day imperialists who evidently think that a nation like the Philippines would willingly submit to their dictates and wishes."

He did not identify the "outside parties," who he said "think they can casually, and with impunity, intervene in our internal affairs."

His broadside, however, was issued the day after a U.S. congressional panel voted in favor of suspending military aid pending the restoration of a "legitimate government" in the Philippines. And it followed by two days accusations from the U.S. Senate and the European Parliament that Mr. Marcos's government had retained power by cheating in the country's Feb. 7 presidential elections.

Philippine and foreign sources said new divisions in the military raised questions about whether Mr. Marcos could count on full support from the security forces should he decide to crack down on opposition groups campaigning for his resignation.

Lieutenant General Fidel V. Ramos, armed forces vice chief of staff, underlined those divisions Thursday in saying he had asked Mr. Marcos to "please freeze all assignments or replacements of those in key positions" in the military "so that we will prevent further jockeying and maneuvering and positioning by some."

General Ramos said his only objective was a more stable armed forces "in a very unstable situation."

Observers said he apparently had urged Mr. Marcos to stop the last-minute appointments being made by General Fabian C. Ver, whose resignation was announced Sunday by Mr. Marcos.

General Ramos, who is to replace General Ver, said Thursday he was still awaiting notification that he indeed will take over.

He did not say who might have been involved in any military power play, but said that it was "causing apprehensions on the part of many" members of the forces.

Mr. Marcos's statement on foreign meddling was released Friday as President Ronald Reagan's special envoy, Philip C. Habib, met Mrs. Aquino for the second time in five days.

Mrs. Aquino's spokesman, Rene Saguisag, said that Mr. Habib had asked Mrs. Aquino what results she expected from her nonviolent campaign to remove Mr. Marcos.

Mr. Saguisag said that Mrs. Aquino had replied: "Wait and see. That is best. Let events speak for themselves."

Mr. Habib was scheduled to leave Manila on Saturday and fly directly to Washington, where he was to report to President Ronald Reagan, an embassy spokesman said.

The ambassadors of New Zealand and India also called on the opposition leader. Mr. Saguisag said later that Mrs. Aquino told the the Indian ambassador, Ramesh Mulye, she hoped that his country would, "like the rest of the civilized

(Continued on Page 4, Col. 4)

Sandinists Said to Be Gaining Strength As Guerrillas Retreat, Attacks Decline

By Stephen Kinzer
New York Times Service

MANAGUA — Rebel activity has declined sharply in recent months, and the Sandinist government of Nicaragua is in its strongest military position since it took power six and a half years ago, diplomats and military analysts here said in interviews.

The large majority of the rebel force is believed to have retreated to bases in Honduras.

The United States is said to be misusing funds for military exercises in Honduras. Page 3.

As the Sandinist army has become more effective, the diplomats and analysts said over the past week, the rebels, known as "contras," have been crippled by problems of supply, training and logistics.

The most graphic demonstration of the weakening of the rebel forces, diplomats said, was their inability to disrupt the vital coffee harvest, which recently ended.

Pickers were able to work in areas that were considered too dangerous last year, and Commander Manuel Salvatierra, the senior military officer in the coffee-growing province of Matagalpa, said Tuesday that the harvest was completed without a single casualty.

Leaders of the guerrillas have said they need help to step up their fight against the Sandinists. President Ronald Reagan said this week that he will ask Congress to approve a proposal to send them $100 million in covert assistance, including $70 million in military aid.

"The vote is definitely critical," said Adolfo Calero Portocarrero, the principal rebel leader, in a telephone interview Friday from Washington.

He said the Soviet-made Mi-24 helicopters used by the Sandinists were proving to be potent weapons, and that anti-aircraft guns were among the guerrillas' most immediate needs.

"Compared to last year, yes, there is less activity," Mr. Calero said. "But that does not mean we feel any weaker or any less optimistic."

According to diplomats and foreign military officers, the Sandinist government has received a steady supply of weapons, has come to dominate the air and has developed many experienced squad and platoon leaders in the last year.

But rebel commanders were said to have failed to build a disciplined fighting force, partly because they lack foreign trainers like those used by the Sandinist army.

Diplomats with access to Western intelligence reports said they believe that only one guerrilla task force of about 3,000 men remained inside Nicaragua. It is fighting in the south-central part of the country.

The diplomats said they believed that more than 10,000 guerrillas were camped inside Honduras. The estimates confirm reports from Honduras.

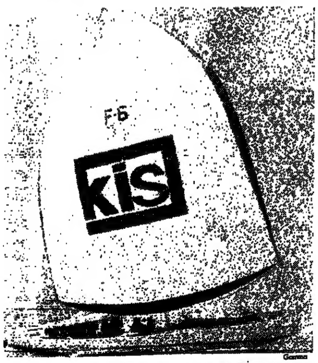
A Latin American military specialist said he believed that an injection of military aid for the rebels, particularly if it included

(Continued on Page 4, Col. 2)

Reuters

Rosa Hernández, one of 12,000 Nicaraguan government workers harvesting coffee, carries a rifle in case of attack.

French Technology: A Case Study in Bottlenecks



Gamma

The French Kiss: For some, a morale booster.

Getting Down to Business

Europe's New Approaches to Competition

In the face of American and Japanese competition, Western Europe faces a major test not just of its technological potential, but also of its capacity to make far-reaching economic and sociological changes. This is the 10th in a series of articles, appearing from time to time, focusing on these issues.

By Joseph Fitchett
International Herald Tribune

PARIS — High in the shrouds, sailors are unblocking the mainsail to free a halyard caught in the mast. Slicing through the open sea with a strong following wind, the yacht picks up speed to 20 knots. Out goes the spinnaker, hundreds of square yards of snapping parachute cloth. Deskbound at the office, the French executive imagines the company's colors swelling in the wind, the company's name slicked by spray but readable on television screens.

Elf Aquitaine, Gauloises, Biotherm, Roger & Gallet, Fleury Michon, Bull, Crédit Agricole, Jet Service — leaders of French industry have given their names to competition yachts. Kis spent up to 70 million francs (nearly $10 million) on an America's Cup contender, the French Kiss.

This corporate vogue fascinated six U.S. businessmen whom a foundation asked to visit France this month to study how it is adjusting to sweeping changes wrought by microelectronics and other new high technologies.

"Every time we went into a top executive's office, there was a model of that company's yacht," recalls Stephen Kindel, a Forbes Magazine editor who wrote the group's report. "We were told the yachts really boost employee morale."

The Americans read a lot, little of it complimentary, into the symbolism. "Yacht-racing is elitist, expensive, highly disciplined, spectacular and a spectator sport," Mr. Kindel says. "U.S. companies also boost employee morale, but they sponsor participatory sports. Twenty million Americans jog in corporate programs. Millions more work out daily in corporate gyms."

Elitism is also their main criticism of French high technology.

"It's a top-down approach," says another team member, Peter Sprague, the chairman of National Semiconductor and an entrepreneur who continues to found companies — the latest the week before the trip. He defines the French approach: "A highly skilled handful of technocrats, commanding a bureaucracy and a state-run financial system, order spectacular technological projects. The innovations are supposed to come from government or big corporations."

In contrast, the United States emphasizes a "bottom-up" approach in which thousands of entrepreneurs seek to sell to a market of millions of small industrial customers and individuals.

"The French still tend to mystify the new technological revolution by thinking it's mainly about breakthrough inventions," Mr. Sprague continues. "The really revolutionary impact comes from applying microprocessor intelligence to activities all over the place, spreading it through the economy and through the society. That's innovation."

The Americans' impressionistic judgment of French technology has just been confirmed in a major review of France's innovation policies by the Organization for Economic Cooperation and Development, which groups the leading western democracies. The OECD report, which was refined by a commission of examiners, says that elitism is a major bottleneck to innovation and the diffusion of new technologies, which the report calls the overriding priority of the 1980s.

The French case study has significance extending to most of Western Europe. As French leaders increasingly acknowledge that their technology goals can be achieved only in a European context, France has become the prime mover in such Europewide campaigns as Eureka, which seeks to build an industrial program that can compete with U.S. and Japanese high technology for new markets.

Made public this week, the OECD report praises French successes with such big government-sponsored projects as the Ariane rocket for satellite launches, the nuclear electricity program, a nationwide digital telephone system and nuclear-weapons submarines.

But big is not necessarily beautiful in new technologies. "France cannot have technologically advanced large firms and backward small ones," the

(Continued on Page 4, Col. 5)

No Franglais, Please: Delegates From France to Quebec Fight for French

By Michael Dobbs
Washington Post Service

PARIS — English is the more compact, French the more precise. English is considered democratic and modern, French elitist and elegant. English tends to evolve naturally, French is jealously protected by a powerful literary establishment.

A new broadside in the long-running linguistic war was fired this week when leaders of 38 French-speaking countries gathered in Paris to celebrate their common cultural identity and consider how to meet the challenge posed by the ever-increasing dominance of English.

Preceded by more than two decades of preparation, and arguments over the representation of Canada, it was the first such meeting ever held.

If little actually was done to threaten the hegemony of English, at least a lot of French was spoken.

Once the common language of Russian aristocrats and Austrian-Hungarian ambassadors, Asian Communists and South American writers, French has declined over the past few decades, mirroring the decline of France as a world power. But it still is spoken around the world — from the Canadian province of Quebec to the South Pacific island of Vanuatu.

The most urgent issue facing the conference, which ended Wednesday with a decision to meet again in Quebec in two years, was the preservation of French as an instrument of scientific and technological communication. Participants expressed alarm at the increasing number of computers, robots and cars that are programmed to understand only English language commands.

"Must we translate into English the orders that we give machines?" President François Mitterrand asked a recent meeting of the Académie Française, founded 350 years ago with the task of protecting and developing the language.

Mr. Mitterrand's anguished question went to the heart of the problem of French as a living language competing for its place in the modern world. For while French has long been regarded as the natural language of diplomacy and cuisine, it has been relatively slow to adapt to technological innovation. In a world in which English is increasingly becoming accepted as a universal language, French is getting squeezed out.

According to French government estimates, French still is spoken fluently by 120 million people — of whom 60 percent live in Europe, 26 percent in Africa and 10 percent in the Americas. But it is on the retreat in several parts of the world, notably in North Africa, where educated young Tunisians and Algerians now prefer Arabic to the language of their former colonizers.

A recent study showed that the number of articles written in French in the world's leading scientific reviews had dropped from 12 percent in 1980 to 7 percent in 1984.

The advantages enjoyed by English as the world's leading technological language were brought home to Mr. Mitterrand during a visit two years ago to California's Silicon Valley. When he asked Apple Computer's founder, Steven P. Jobs, for an opinion on French software, he was given a brutal reply: "The problem with French software, Mr. President, is that it's written in French. You can't sell it."

This week's Francophone summit meeting called for the creation of common data banks and software in French in addition to cooperation in areas such as filmmaking, book publishing and television programming.

Numerous speakers echoed Mr. Mitterrand's warning on the first day that the French-speaking world risked being condemned to the status of "subcontractor, translator or interpreter" unless they closed ranks.

To keep pace with U.S. computer terms, the government set up a Computer Technology Commission whose job it is to think up French-sounding expressions for words like "debug" and "floppy." The commission has had some success: Most French computer users, for example, now use the word "*logiciel*," rather than the ugly "*le soft*," for "software."

But the commission also has discovered that French uses roughly 20 percent more space than English to say the same thing.

Other linguistic watchdogs include the General Commissariat for the French Language, which attempts to keep the language pure by issuing periodic lists of Anglicisms that should be suppressed.

The latest list, published in the official gazette,

(Continued on Page 4, Col. 1)

INSIDE

■ NASA reportedly pressed the company that made the booster rockets to approve the launch of Challenger. Page 3.

ARTS/LEISURE

■ Diego Giacometti's bronze furniture is the subject of an exhibition in Paris. Page 5.

BUSINESS/FINANCE

■ New York Stock Exchange prices soared 24.89 points on the heels of falling oil prices and interest rates. Page 10.

SPECIAL REPORT

■ As oil prices fall sharply, Qatar is turning to its natural gas reserves. Page 7.

U.S. and Catholic Relief Agency Dispute Ethiopia's Food Needs

By Blaine Harden
Washington Post Service

NAIROBI — As the famine in Ethiopia eases, the largest American relief agency in that country has become involved in an acrimonious dispute with the U.S. government, the largest food donor, over how much more food aid is needed to keep Ethiopians from starving.

Catholic Relief Services, an official arm of the American Roman Catholic hierarchy, argues that it will run out of food this July and that tens of thousands of people will be endangered unless the U.S. government commits more food.

"You are asking us to decide who will live and who will die," said Frank Carlin, director for Catholic Relief Services in Ethiopia.

The U.S. government maintains that Catholic Relief Services has designed its feeding program so that it will run out of food in July.

It also charges that, while the number of Ethiopians needing relief food has declined sharply, the agency is using the threat of mass starvation to wrest more food aid from the government.

Fred C. Fischer, chief official in Ethiopia for the U.S. government's Agency for International Development, said that Catholic Relief Services "doesn't seem to share everyone else's view that the situation has improved."

"They want to continue at high feeding levels when everyone else is scaling back," he said.

"We are concerned," he continued, "that they are setting up a situation in which they could accuse the U.S. government and other donors of not providing the resources needed to keep their program going or to force us to provide resources that we don't have."

The Agency for International Development pays for food for the Ethiopians and its transportation, but not the salaries of the Catholic Relief Services staff.

The dispute has spawned charges by Mr. Carlin that the U.S. government is limiting food aid because of its ideological distaste for Ethiopia's Marxist military government.

Mr. Carlin recently told the Catholic Bulletin, a U.S.-based Roman Catholic publication, that he found it immoral that the United States was withholding adequate food supplies from the Ethiopian people.

Catholic Relief Services, in turn, has been accused by other relief agencies of trying to blackmail the U.S. government, which provides one-third of the donated food in Ethiopia, and of trying to maintain its famine-relief program in the face of decreasing needs and stiff competition for U.S. resources from other agencies.

The dispute has spawned charges that the U.S. is limiting food aid because of its ideological distaste for Ethiopia's Marxist military government.

Last year, Catholic Relief Services and its affiliated agencies fed about 2.1 million people a day and received 51 percent of the 440,000 metric tons (485,000 tons) of food shipped from the United States to Ethiopia.

But as the number of people estimated to be affected by famine has fallen from 7.9 million last year to about 5.8 million this year, the agency has been allotted a smaller portion, 41 percent, of a smaller overall total of American food aid. So far the United States has pledged 300,000 metric tons for 1986.

Mr. Fischer said the reduction in food aid to Catholic Relief Services "reflects our view that there is a vastly improved situation in Ethiopia."

He added that there are now other nongovernmental relief organizations working in Ethiopia with feeding programs as good as that of Catholic Relief Services.

CARE, World Vision and the American chapter of Save the Children all increased their share of American food aid in this year's allocation.

In the Catholic Bulletin, Mr. Carlin said that his agency's share of U.S. food had been cut because "of our strong stand" on famine issues.

Mr. Fischer maintains that Catholic Relief Services has refused to adjust its feeding program to reflect reduced need following the December and January harvest in Ethiopia.

The International Committee for the Red Cross has suspended 50 percent of its feeding in Eritrea. Save the Children temporarily has halted feeding in the northern Shewa region.

Catholic Relief Services, however, has continued its existing feeding program. "We have no choice," Kevin Delany, a spokesman for the agency, explained. "You can't go on half rations, because you would be endangering people."

Catholic Relief Services says that it must calculate food needs based on the number of hungry people in its programs and not on overall estimates of Ethiopia's food deficit.

According to the United Nations Food and Agriculture Organization, the recent crop in Ethiopia left a need in 1986 for about 900,000 metric tons of food aid.

An official of the UN Office for Emergency Operations in Ethiopia said about 600,000 metric tons of that food has been pledged by international donors.

In addition, the Ethiopian government, using a foreign-exchange windfall from high coffee prices and from the international famine relief effort itself, has contracted to purchase 300,000 metric tons of food from the Australian government.

According to Western diplomats in Addis Ababa, Ethiopia now is negotiating to buy an additional 100,000 to 200,000 metric tons of food from Canada.

Mr. Fischer said that if the Ethiopian government makes the additional purchases, the country will come close to meeting its food needs without any more aid than has been pledged.

China to Try Co-Pilot of Soviet Plane

Reuters

Chen Baochung

By John F. Burns
New York Times Service

BEIJING — China announced Friday that it would try the co-pilot of a Soviet Aeroflot airliner that was hijacked on an internal flight in Soviet Asia in December and forced to land in Manchuria.

Meanwhile Friday, a Chinese Air Force pilot apparently defected in a MiG-19 fighter jet to an air force base near Seoul. The Foreign Ministry asked South Korea to return the MiG-19.

The incident was termed a defection by South Korean authorities, but the Chinese statement claimed that the pilot had "lost contact during training."

Earlier, the Foreign Ministry announced that Chinese "judicial organs" had investigated the Aeroflot incident and concluded that the co-pilot of the airliner, identified as Shamil Alimuradov, "committed the crime of unlawful seizure of a civilian aircraft," an Antonov-24.

The statement said that this was an offense under Chinese law as well as a breach of international conventions and that China would bring the co-pilot to trial.

The two-month delay in announcing the trial of the Aeroflot pilot suggested that the incident had been the subject of delicate negotiations between Beijing and Moscow, and possibly also of protracted internal debate here.

Although both sides issued amicable statements immediately after the hijacking, East European sources here said that Moscow had formally requested that the pilot be handed over to the Soviet Union and that China had refused.

The 42 passengers and crew were returned to the Soviet Union two days after the hijacking, with the aircraft.

[In Seoul, the Defense Ministry said two North Korean jets tried to intervene when the Chinese pilot defected but were turned back by South Korean fighters, United Press International reported.]

Official sources in Seoul were quoted Friday as saying that the MiG-19 pilot, identified as Chen Baochung, 26, had flown from the northern Chinese city of Shenyang, about 350 miles (560 kilometers), and was also seeking asylum in Taiwan.

In a similar incident five months ago, South Korea ignored Chinese requests for the return of an air force bomber pilot who defected across the Yellow Sea. Seoul allowed the pilot to go to Taiwan.

Iraqi Forces Push Back Iranians Holding Strategic Faw Peninsula

By John Kifner
New York Times Service

BASRA, Iraq — Advancing behind what a witness called a "wall of fire," Iraqi troops have pushed back Iranians dug into the strategic Faw peninsula at the edge of the Gulf.

Helicopter gunships, tanks, artillery, and multiple rocket launchers pounded Iranian positions on Thursday, and a huge pall of black smoke hung over the city of Faw on Iraq's southern peninsula.

"It was like a walking wall of fire," a witness said of the barrage.

[Iraqi field commanders, meanwhile, reported progress in a three-pronged counterattack on Iranians who invaded the peninsula Feb. 10 at the start of the offensive, Reuters reported Friday from Baghdad.

["We are tightening our iron fist around them," an Iraqi commander told the state-controlled newspaper al-Jumhuriya.

[A Reuters correspondent reported from the warfront that Iraqi troops had pushed to within five miles (eight kilometers) of Faw.]

Faw was once the site of Iraq's major oil terminal, which has been closed since shortly after the Gulf war began five and a half years ago.

The thrust by Iranian forces cut off Iraq from the Gulf, put the Iranians within sight of Kuwaiti territory and greatly alarmed other Arab nations supporting Iraq out of fear of the spread of Islamic fundamentalism.

Other Iraqi forces further north along the Shatt-al-Arab waterway repulsed Iranian advances.

But the Iranians, who lack the massive supplies of armaments and equipment of the Iraqis, were able to break through in hand-to-hand fighting in the Faw area. And, while the Iranians do not appear to have advanced after the initial success, they are proving difficult to dislodge.

There have also been reports of hundreds of thousands of Iranian regular troops massing near the Iranian city of Susangerd northeast of here, indicating that a second attack may be in the offing and that the initial assault was a feint.

Witnesses in the Faw area on Thursday said that the Iraqi Army was advancing over Iranian bodies littering the ground.

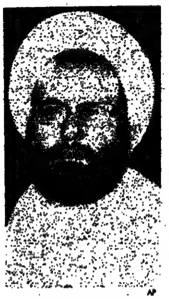
The highways south of Basra were jammed with military vehicles headed south loaded with artillery pieces, tanks, and reinforcements. In many rear areas, tanks and anti-aircraft guns were dug in as static defensive weapons.

■ Iran Lists 37 Officials Killed

Tehran Radio identified Friday the 37 Iranian officials killed when two Iraqi warplanes shot down an Iranian civilian aircraft in southwestern Iran on Thursday, Reuters reported from Tehran.

The dead included Fazlollah Mahallati, representative of the nation's leader, Ayatollah Ruhollah Khomeini, in the Islamic Revolutionary Guards Corps; and eight parliamentary deputies including Hassan Shah-Cheraghi, head of the Kayhan group of newspapers.

The list was not final. Officials said up to 46 may have died.



AP

Fazlollah Mahallati

The Foreign Ministry, as reported by Tehran Radio, said "that such inhuman and criminal acts not only will have no effect on the will of the nation and determination of the fighters of Islam but will make them resolute in attaining their divine goals."

Iraq denied downing the plane.

China Executes Sons of 2 Officials

By Daniel Southerland
Washington Post Service

BEIJING — The sons of two senior Chinese Communist Party officials in Shanghai were paraded before thousands of spectators this week and then executed for rape, according to official reports.

The executions were part of a campaign to warn the children of high-ranking party officials that they are not above the law.

According to official reports, the two were among three men executed Wednesday after a mass rally in a Shanghai gymnasium.

The three were part of a gang convicted of six rapes, three attempted rapes and seduction or indecent behavior toward 42 other women from 1981 to 1984, according to official press reports.

In a front-page commentary Thursday, the party's leading newspaper, the People's Daily, said that the executions of the three men as well as the imprisonment of three others showed that "all are equal before the law."

The Shanghai case is the first of its kind to come to light in China's largest city since the Communists took power in 1949.

The case also involves the first death sentences to be handed down since the Communist Party began a drive against corruption and "unhealthy tendencies" within the party six weeks ago.

Official press reports indicated that the executions were aimed in part at countering the widespread perception that the country's laws are designed only for ordinary citizens and that officials and their relatives are above the law.

It is not unusual for Chinese courts to impose the death penalty on those convicted of rape. Out of 26 executions announced in Beijing last month, 10 involved convictions for rape.

The definition of rape in China is broader than in the West. In China, if a man uses his power and position to lure a woman into sexual relations, it can be considered rape.

The three men executed were Chen Xiaomeng, a reporter for a Shanghai magazine called Democracy and the Legal System; Hu Xiaoyang, a reporter for an architecture magazine; and Ge Zhiwen, a perfume factory worker.

They were described in press reports as "multiple rapists" who once "ran rampant" in Shanghai.

Mr. Chen was the son of Chen Qiwu, the late vice chief of the propaganda department of the Communist Party committee of Shanghai. Mr. Hu was the son of Hu Lijiao, who is chairman of the Standing Committee of the People's Congress of the city, a former member of the Communist Party Central Committee and a veteran of the Long March of 1934-35.

The usual method of execution in China is a pistol shot at the back of the neck.

Beirut Paper Prints Photo Of 2 Captives

Reuters

TYRE, Lebanon — A Shiite Moslem militia published a photograph Friday of two Israeli soldiers who were captured in an ambush in southern Lebanon on Monday.

Meanwhile, the Israeli military continued its search for the two men, and Lebanese security sources said that about 1,500 troops had detained 130 Lebanese since they began searching Shiite villages on Monday for the soldiers.

Two Israeli servicemen and at least 13 Lebanese have been killed since the sweep began, Israeli and Lebanese security sources said, and 22 Lebanese have been wounded.

In Beirut, Al-Ahad, a weekly magazine run by the pro-Iranian militia Hezbollah, or Party of God, carried a photograph of what it said were the two Israeli captives.

It showed two men, one with a bandaged head, lying with catheters in their arms in a room that had posters of Shiite figures such as the Iranian leader, Ayatollah Ruhollah Khomeini, affixed to the wall.

The caption said the picture had been taken "before the execution of one of the prisoners."

On Wednesday night, the Islamic Resistance Front said it had killed one of the Israeli soldiers because Israel had ignored an ultimatum to withdraw from the south.

Lebanese security sources said an Israeli force was searching a valley near the village of Haris on Friday and reported exchanges of mortar and automatic weapons fire between the Israelis and guerrillas near the village of Kfar Dounine.

Iran's chargé d'affaires in Lebanon, Mohammed Nourani, inspected defenders in the village of Srifa on Friday accompanied by officials of the mainstream Shiite Amal militia, witnesses said.

Lebanese Foreign Ministry officials said the United States was trying to persuade Israel to withdraw to its self-declared "security zone."

Washington was concerned that Israeli forces had advanced into areas controlled by the United Nations Interim Force in Lebanon, diplomatic sources added.

But in Jerusalem, military sources said the search would continue at least through the weekend.

Major General Ori Orr, commander of forces along Israel's northern borders, said he had been given no time nor geographical limits for the operation.

Christian areas north of Beirut were reported quieter after shelling by pro-Syrian militias killed five persons Thursday in battles near President Amin Gemayel's home village of Bikfaya.

Schools, shops and banks closed in West Beirut and other Moslem-controlled areas of Lebanon on Friday to protest the killing of a Communist Party official by two gunmen on a motorcycle.

Blacks Jeer as Tutu Tells of Official Rebuff

The Associated Press

JOHANNESBURG — Bishop Desmond M. Tutu received an angry reaction from blacks in the Johannesburg suburb of Alexandra on Friday when he told a rally he had failed to win concessions from the government after nearly a week of unrest there.

Speaking to a crowd of 40,000, the Anglican bishop of Johannesburg said the government would consider black demands for the removal of police from the township and the release of persons held during rioting, but that it had made no firm commitments.

Bishop Tutu and other dissident churchmen met Thursday with Adriaan Vlok, deputy minister for law and order and defense, after being refused a meeting with President Pieter W. Botha.

The squalid district on the edge of Johannesburg's affluent white northern suburbs exploded Feb. 15 in four days of unrest that left at least 23 persons dead.

Bishop Tutu cooled tensions Tuesday by promising at a rally in the township that he would take up the protesters' demands with the white-led government.

But on Friday, he could only tell the crowd their grievances would be investigated. Some people booed and others walked out before he finished his speech.

"It's not enough," someone shouted from the crowd. "The death of our people must be avenged."

Meanwhile, residents of Alexandra claimed the death toll from the four days of clashes with police and factional fighting between blacks in the township was 46, double the figure provided by police.

South African business leaders expressed relief Friday at an interim settlement on the country's debt crisis reached Thursday in London by 30 foreign banks.

The arrangement requires South Africa to repay 5 percent of $14 billion in short-term debt by March 1987.

■ Bishop Assails Bankers

Bishop Tutu said Friday he was disappointed that the Western banks had reached agreement with South Africa, Reuters reported from Johannesburg.

The bishop said it appeared that the banks were not interested in moral arguments. "We are going to be free and we will remember who helped us," he said.

CHURCH SERVICES

CENTRAL BAPTIST CHURCH, 13 Rue du Vieux-Colombier, 75006 Paris. Metro St-Sulpice. Sunday worship in English 9:45 a.m., Rev. A. Sommerville. (1) 46.07.67.02.

PARIS SUBURBS

EMMANUEL BAPTIST CHURCH, 56 Rue des Bons-Raisins, Rueil-Malmaison. English speak., evangelical, all denominations. S.S. 9:45; Worship: 10:45. Other activities. Call Dr. B.C. Thomas, Pastor. (1) 47.49.15.29.

IMMANUEL CHURCH near city center. Friendly christian fellowship. Sunday 11:00. Tel.: (08) 316051, 151225.

BRUSSELS

AMERICAN-LUTHERAN CHURCH welcomes all. Sunday 9 a.m. Lent Mid-Week 7:30 p.m. Ave. Salome 7, Woluwe-St. Pierre. Tel.: 771.52.40.

To place an advertisement in this section please contact:
Ms Elizabeth HERWOOD
181 Ave. Ch.-de-Gaulle,
92521 Neuilly Cedex, France.
Tel.: 46.37.93.84.

Son and Girlfriend Held in Death of Filipino in U.S.

The Associated Press

GLENDALE, California — The police said Friday that they had arrested the 17-year-old son of a Philippine newspaper executive, Oscar Salvatierra, and the youth's girlfriend for investigation of murder.

Mr. Salvatierra, 41, had worked for the Philippine News, a San Francisco weekly opposed to President Ferdinand E. Marcos of the Philippines.

Police Chief David J. Thompson said that the since the killing Wednesday "there has been widespread speculation that Mr. Salvatierra's death was politically motivated" by supporters of Mr. Marcos.

But the chief said police believed the death of Mr. Salvatierra "was the result of domestic violence within the home and committed by his 17-year-old son."

Guerrilla Is Killed in Rome Attack

By E.J. Dionne
New York Times Service

ROME — Attackers wounded an aide to Prime Minister Bettino Craxi on Friday and one of them, a 28-year-old woman identified as a member of the extremist Red Brigades, was shot and killed.

A woman and two men escaped, the police said.

The police said that Antonio Da Empoli, 47, the head of Mr. Craxi's Office of Economic and Social Affairs, was attacked shortly after 9 A.M. at a newsstand where he regularly stops on his way to work. He suffered what doctors described as minor wounds in his hand and foot.

The attack came less than two weeks after a former mayor of Florence, Lando Conti, was killed in an attack claimed by the Red Brigades. Officials said they feared the attacks might mark the beginning of a new round of terror.

Mr. Craxi, after visiting Mr. Da Empoli in the hospital, said the attack showed that "we are not facing isolated episodes but a series of terrorist initiatives with a broader significance."

Witnesses said the four attackers began shooting as Mr. Da Empoli returned to his car.

His bodyguard apparently shouted a warning. "I managed to move and jump under a car," Mr. Da Empoli said. As the shooting began, his bodyguard returned fire.

The dead woman was identified as Wilma Monaco, 28, the wife of a Red Brigades extremist arrested several months ago.

The police said the attackers left a leaflet at the scene of the attack referring to the Union of Fighting Communists. They authorities said they believe the group is linked to the Red Brigades.

Two hours after the attack, callers to newspaper offices said the group had shot Mr. Da Empoli because he was involved with "anti-worker finance policies and laws" of Mr. Craxi's government.

In a report to Parliament on Thursday, Oscar Luigi Scalfaro, the interior minister, said a document left at the site of the Conti murder "bears witness to an active organization run by intelligent individuals with programs, goals and the power to act."

The Associated Press

The body of a slain terrorist is partly visible, center, following an attempt to assassinate an Italian official in Rome. The gun believed used by the assailant is circled.

WORLD BRIEFS

KGB Colonel, 2 Others Said to Defect

WASHINGTON (UPI) — The State Department said Friday that a Soviet KGB colonel, his young son and a woman friend have defected from the Soviet Union and are in the United States.

A State Department spokesman, Charles E. Redman, in response to a question, read a brief statement that confirmed reports that Viktor P. Gundarev and the two others had defected. The statement also said the three are in the United States and identified the man as a colonel in the Soviet secret police and intelligence agency.

"Viktor P. Gundarev, his 5-year-old son Maxim and a friend of the Gundarev family, Galina N. Gromova, requested permission from the United States government to enter the United States," the statement said. "They have been granted that permission and are currently in the United States. I can confirm that Gundarav was a colonel in the KGB posted in Athens at the time of his defection."

2 Soviet Peace Activists Emigrate

VIENNA (AP) — Two members of a Soviet peace organization arrived in Vienna on Friday, apparently under pressure from authorities in Moscow, who have stepped up actions against the group.

Alexei and Olga Lusnikov, members of the Group to Establish Trust Between the U.S.S.R. and the U.S.A., arrived on an Aeroflot plane from Moscow. They said they were undecided about their final destination. Mr. Lusnikov, 32, a physicist, and his wife, 28, said they expected to travel to the United States or Britain, where they have friends. The Austria Press Agency reported that they received emigration papers Monday and were told to leave the country by Friday.

A member of the organization, Nina Kovalenko, was detained Wednesday in Moscow and sent to a psychiatric hospital, a group spokeswoman said Thursday. Two other members were also detained, but their fates were not known.

France Frees 2 Palestinian Killers

PARIS (Reuters) — Two Palestinian gunmen have been released from prison and expelled from France, officials said Friday.

Atem Husni and Kayed Assad, both Jordanians of Palestinian origin, had served seven and a half years of 15-year sentences imposed for the murder of a Palestine Liberation Organization representative, Ezzedine Kalak, and an aide in Paris in August 1978.

The French government confirmed that the pair had been freed and expelled but would not say when or to what country. French press reports speculated that their release was part of an agreement involving the four French hostages being held in Lebanon after being kidnapped nearly a year ago.

Lagos Trying to Set Chad Peace Talks

PARIS (Reuters) — Foreign Minister Bolaji Akinyemi of Nigeria, attempting to mediate in the military crisis in Chad, said Friday that his government was trying to organize a round-table peace conference to end a quarter-century of civil war there that has involved France and Libya.

He said that France, which until Friday had appeared cool to the Nigerian initiative, had given its encouragement and there were no obvious stumbling blocks to prevent the start of talks. Mr. Akinyemi said he would fly Friday night to Tripoli to see the Libyan leader, Colonel Moamer Qadhafi, on the second stage of his mission, before going on to Cairo and possibly other capitals.

"The feeling of the Nigerian government is that it has to stop," he said after a 50-minute meeting with the French external relations minister, Roland Dumas. "We cannot tolerate that level of violence along our borders." The Nigerian peace bid began after this week's French bombing raid against the Libyan-held airstrip of Ouadi Doum in the north and a retaliatory raid against the airport in Ndjamena, the Chadian capital.

U.S. Finds Academic Standards Rising

William J. Bennett

WASHINGTON (NYT) — The secretary of education, William J. Bennett, has sketched a glowing portrait of U.S. public schools in his department's annual state-by-state review of education. As high school dropout rates decline, he said, college entrance examination scores are climbing.

"Some have said we can't have both excellence and equity in our schools," Mr. Bennett said Thursday. "Clearly, raising standards and expectations for everyone means everyone benefits."

His review was criticized by the National Education Association, a teachers' group, as unduly optimistic, and by some state education officials as incomplete and lending itself to misleading interpretations. Three years ago, a bipartisan U.S. commission issued a report, "A Nation at Risk," that was considered a catalyst in the movement to raise educational standards. Mr. Bennett, arguing that this push was producing results, said political leaders, educators, parents and children were "to be congratulated."

Tax Increase Needed, Domenici Says

WASHINGTON (UPI) — Pete V. Domenici, a New Mexico Republican and chairman of the Senate Budget Committee, said Friday that tax increases of from $12 billion to $20 billion probably will be needed to reduce the deficit this year, but President Ronald Reagan insisted that any tax increase is out of the question.

In a private meeting with Republican leaders in the House of Representatives, Mr. Reagan reaffirmed his opposition to general tax increases, saying the deficit can be cut just with spending reductions.

Representative Robert H. Michel, a Republican of Illnois and the House minority leader, said Mr. Reagan did not support any other specific levies, such as a minimum tax on wealthy corporations and individuals or an oil import fee. A House staff member who attended the meeting said Mr. Reagan had paraphrased Shakespeare on the point, saying, "A tax hike by any other name would smell this rotten."

For the Record

The Australian manufacturers of Tylenol withdrew the drug in capsule form from the market Friday because of a cyanide poisoning scare in the United States. *(AFP)*

Fifteen tons of "mildly radioactive" carbon dioxide gas were accidentally released Friday when a safety valve lifted on a nuclear reactor at a power station in northern Wales, electricity board authorities said. *(AP)*

A 14-year-old Indiana boy barred from school after contracting acquired immune deficiency syndrome returned to classes Friday in Kokomo for the first time in more than a year. But officials said that nearly half the school's 360 other students stayed home. *(AP)*

Yugoslavia's Communist Party will hold its 13th congress June 25-28, to map policy to the end of the decade, the Central Committee announced Friday. *(Reuters)*

Peter J. Wallison, 44, will succeed Fred F. Fielding as White House counsel, President Ronald Reagan announced Friday. Mr. Wallison was counsel to Nelson A. Rockefeller during his vice presidency. *(UPI)*

Honecker's Visit to Bonn Likely After Vote in April

The Associated Press

BONN — President Erich Honecker of East Germany will make a long-awaited visit to West Germany, probably some time after the Communist Party congress in April, the president of the East German legislature said Friday.

The official, Horst Sindermann, who is leading a parliamentary delegation visiting Bonn, said that Mr. Honecker intended to make the trip, but would not say when.

It would be the first visit by an East German president to West Germany.

"Of course the visit of Erich Honecker will take place," Mr. Sindermann said at a news conference. But he said the time must be decided by Chancellor Helmut Kohl and Mr. Honecker.

"We must first prepare our party congress," Mr. Sindermann said.

Western observers say that Mr. Honecker, 73, who has been the head of East Germany's Communist Party since 1971, is expected to be re-elected at the party's congress in East Berlin.

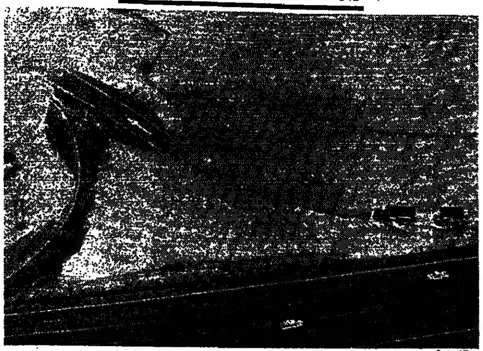
West German officials said Thursday after talks with Mr. Sindermann that they expected Mr. Honecker to make the visit to Bonn later this year.

Alfred Dregger, the floor leader of the ruling Christian Democrats in the West German legislature, quoted Mr. Sindermann as saying: "It is high time, and he will come."

Mr. Honecker had planned trips to West Germany in April 1983 and September 1984, but canceled both trips, apparently due to Soviet pressure, at a time when relations between Washington and Moscow were strained over the deployment of U.S. missiles in Europe.

هكذا من الاصل

AMERICAN TOPICS



Reuters-UPI

ROAD UNDER WATER — A truck on Interstate 680 takes a partially submerged exit ramp to Martinez, about 20 miles east of Oakland in California's Sacramento-San Joaquin delta. According to the National Weather Service, the heavy rainstorms that battered northern California for a week have ended, after causing 11 deaths, dozens of injuries and an estimated $280 million in public and private property damage statewide.

Lincoln Ranks First In U.S. Place Names

Of two million place names in the United States listed by the U.S. Geological Survey — towns, schools, parks, streams, valleys, springs, ridges and such — 1,367 are named Lincoln, edging the 1,346 bearing the name of Washington.

The survey also lists 710 Jeffersons, 404 Madisons and 335 Monroes. There are 511 places named Roosevelt — some for Theodore, some for Franklin.

Not all such places are named for former presidents. Some of the Washingtons are named after the black educator Booker T. Washington, for example. How many is not certain, since in most cases the survey's records do not show for whom a place was named, only its name.

The survey says many places were named after people who happened to bear the same name as presidents. There are 42 Reagans, most of them in existence before the current president took office.

Short Takes

The American Bar Association, at its winter meeting this month, added its voice to those who criticize the trend toward privately run prisons. At least two dozen federal, state and local correctional institutions are privately operated. Even if such prisons are more efficient and economical, the association said, the trend should be halted until "complex constitutional, statutory and contractual issues" can be resolved.

Chuck Conconi, who writes the Personalities column for The Washington Post, has reported no end of items about the great financial sacrifice people make when they leave private employment to become government officials. This month Mr. Conconi, recounting yet another such tale, observed dryly that "once a federal official returns to the private sector, he more than makes up for the few years of financial sacrifice."

For reasons that are unclear, although a low sulfur content in the soil may have something to do with it, onions from Vidalia, Georgia, as the Vidalia Chamber of Commerce tells it, are so sweet and mild that "some people claim you can even peel them and eat them like apples." Many Vidalians prefer to take this claim on faith, but they no longer need put up with counterfeits bearing the Vidalia label. The state has passed a law defining the area for what can and cannot be sold legally as a Vidalia, bringing tears of gratitude to the eyes of Vidalia growers.

Shorter Takes: Teen-age pregnancy cost state and federal governments more than $16 billion in welfare outlays last year. ... The Democratic National Committee has compiled an ethnic calendar so politicians won't forget such events as St. David's Day on March 1 or Giovanni da Verrazano's birthday on April 1.

Fame Is Not the Spur At Lion's Head Bar

The Lion's Head bar in Manhattan's Greenwich Village, a favorite gathering place for writers, observed its 20th anniversary this month. Its owners, Wes Joice, a former policeman and minor-league baseball player, and his wife, Judy, still rigorously resist the blandishments of fame. When somebody started taping dust jackets from books written by the bar's regular patrons to the wall, Mr. Joice put a stop to it, saying he was sick and tired of everyone using up all his tape.

At the anniversary party, old-timers recalled that the Village Independent Democrats, including Edward I. Koch, later to become mayor of New York, often adjourned to the Lion's Head. "The waitresses hated to see them coming," one regular recalled. "Koch tipped a dime. He ordered ice for his seltzer on the side so he'd get more seltzer."

— *Compiled by*
ARTHUR HIGBEE

U.S. Reports Sharp Rise in Illegal Aliens From Mexico

By Philip Shenon
New York Times Service

WASHINGTON — The commissioner of the Immigration and Naturalization Service has warned that there had been a "startling" surge of illegal aliens entering the United States from Mexico in recent months.

"We are seeing the greatest surge of people in history across our southern border," the commissioner, Alan C. Nelson, said Thursday at a news conference called to renew the agency's appeal for tougher immigration laws.

Mr. Nelson said U.S. border agents were apprehending nearly 40 percent more illegal aliens from Mexico each day than were captured last year. Immigration officials expected to apprehend 1.8 million illegal aliens nationwide this year, he said, 50 percent more than last year's record of 1.2 million.

Even though the number of immigration agents assigned to the Mexican border has been greatly enlarged, he said, the improved enforcement effort has not kept pace with the number of people trying to cross into the United States.

Nearly 95 percent of the aliens apprehended by the immigration service attempt to cross from Mexico. Officials said that for every alien apprehended, two or three are able to cross the border without detection.

The immigration official suggested there was a growing "criminal element among those coming in, which can add to crime in many of our cities and communities."

Mr. Nelson said that economic troubles in Mexico and Central America were largely responsible for the growing number of people entering the United States illegally. The figures released Thursday, he said, demonstrated the need for legislation to provide sanctions against employers who knowingly hire illegal aliens.

In the past, the Reagan administration has supported such sanctions, including one passed by the Senate in September and awaiting action in the House.

Mr. Nelson seemed to play down the results of a report prepared by the President's Council of Economic Advisers, which found that proposals to punish employers of illegal aliens would have adverse effects on the economy.

The immigration bill, Mr. Nelson said, would aid the government by, among other things, reducing the use of such public facilities as hospitals and schools by illegal aliens.

NASA Reported to Have Pressured Thiokol

By Boyce Rensberger
and Philip J. Hilts
Washington Post Service

WASHINGTON — The official of Morton Thiokol Inc. who approved the launch of Challenger said in his written evaluation that cold temperatures could compromise the primary seals on the space shuttle's booster rockets but assured NASA that the backup seals would function.

The official, in making the recommendation over objections of subordinates, apparently acceded to pressure from the National Aeronautics and Space Administration to get on with an already-delayed liftoff.

Copies of the approval document, signed by Joe C. Kilminster, vice president for Thiokol's space booster program, were released late Thursday by NASA.

The assurance the night before the launch contradicted Thiokol's study of August 1985 that there was "a high probability" of the backup seals failing.

The assurance from Thiokol also was at odds with NASA conclusions in February 1983 that the backup seals probably would fail.

NASA and the maker of the booster rockets had found that pressures inside a firing booster warped the joints enough to prevent the secondary seals from working. NASA, however, continued to fly shuttles while searching for a better way to seal the joints.

Although the document does not reflect the strong warnings not to launch Challenger voiced by several Thiokol engineers, it says "calculations show" that Challenger's O-ring seals "will be 20 degrees colder" than on any previous launch and that they would not be as resilient.

Proper resiliency is essential if the rings are to seat tightly in the gap between booster segments, and on Jan. 28, the day of the launch, temperature readings on the right-hand booster showed it was 7 to 9 degrees Fahrenheit (minus 14 to minus 13 degrees centigrade), more than 40 degrees colder than any previous launch.

But the document, wired from Thiokol's Utah plant to Cape Canaveral the night before the disastrous launch, took a reassuring tone: "More gas may pass primary O-ring before the primary seal seats. If the primary seal does not seat, the secondary seal will seat."

Films of Challenger launch show a large puff of black smoke emerging near a joint of the right-hand booster less than a second after the solid rocket fuel was ignited. Because rocket fuel burns with a white smoke, this is thought to have been the result of hot gases burning the O-rings or the putty that is supposed to protect the rings, or both.

NASA's pressure on Thiokol to approve the launch, according to Allan J. McDonald, a Thiokol engineer, came in a series of telephone calls between NASA officials in Florida and at the Marshall Space Flight Center in Huntsville, Alabama.

The story of how Thiokol engineers fought to stop the launch but were overruled was reported Thursday by National Public Radio.

Thiokol engineers first learned of the subfreezing weather at Cape Canaveral early the day before the launch.

"We all knew what the implication was," National Public Radio quoted one engineer as saying. "we all knew if the seals failed, the shuttle would blow up."

The engineers said lab studies showed that below 50 degrees, the seals lose much of their ability to hold. It was 10 to 20 degrees colder at the Cape the next morning. Thiokol told NASA not to launch the Challenger.

The radio network reported that George Hardy, the head of NASA's solid-fuel rocket booster program at Huntsville, said, "I am appalled by your recommendation."

One senior NASA official, Lawrence Mulloy, manager of the booster project, argued with the engineers, according to the report, and finally exclaimed, "My God, Thiokol, when do you want me to launch? Next April?"

Thiokol engineers were adamant, and the decision was transferred to company management.

After some discussion, Thiokol's general manager, Jerry Mason, told NASA that his company would approve the launch. Mr. Mulloy then told him to sign the document "right away" and send it to NASA officials.

U.S. to Undertake A Full Review of Airport Security

New York Times Service

WASHINGTON — The U.S. transportation secretary, Elizabeth Hanford Dole, announced a "comprehensive review" of security conditions and procedures at the nation's airports.

Officials in the Transportation Department said the review was being undertaken to determine compliance with recently ordered security measures and to assess the adequacy of more established procedures, including passenger screening, baggage handling and detection of explosives. The review is to be completed by the end of the year, the officials said.

The announcement, on Thursday, occurred a day after Mrs. Dole proposed legislation that would make it a U.S. offense for a person to enter restricted areas of an airport without authority.

The legislation also would authorize the Federal Aviation Administration to require more detailed background investigations of airport and airline employees whose jobs involve access to secured airport areas.

Department officials said there was no specific development that prompted the legislative proposal. But security at the nation's airports has been stepped up since June, when two Shiite Muslims seized a Trans World Airlines jet shortly after takeoff from Athens and held the 153 people aboard as hostages.

WP

Elizabeth Hanford Dole

House Unit Cuts $2.3 Billion From Reagan Aid Proposals

(Continued from Page 1)

assets and programs to private industry.

The remarks were made Tuesday by several officials of the Agency for International Development during an International Conference on Privatization, sponsored by the agency and attended by 250 participants from 40 nations.

Secretary of State George P. Shultz told the participants: "Privatization is not just a device to cut back the size of government; rather, it is a policy to improve the delivery of services people are now getting — energy, housing, transportation, whatever."

Mr. Shultz said that privatization "is so important and so central to the solution of a lot of the problems we see around the world."

M. Peter McPherson, the administrator of the development agency, said, "Privatization can be the right step at the right time to finally liberate developing countries' economies from slow growth or stagnation."

Neal Peden, an assistant administrator, said: "Privatization is a major priority of the Reagan administration, and certainly of AID. It's simply an idea whose time has come, and it's been acknowledged as such by governments in the less-developed countries that find themselves strapped with state-owned businesses that are not profitable."

Mark L. Edelman, also an assistant administrator, said: "If a country is moving in that direction, it would affect their funding levels. Conversely, if a country is moving away from that direction, it also would affect their funding levels."

Agency officials said that the developing countries had lagged behind the industrialized nations in efforts to privatize government services.

U.S. Assails Mexico Over Narcotics Increase

By Joel Brinkley
New York Times Service

WASHINGTON — The State Department's annual report on worldwide narcotics production says that Mexico has again become the largest exporter of marijuana and heroin to the United States and calls that the "principal disappointment" of the last year.

The report attributed the worsening situation in Mexico, after several years of improved enforcement, to "severe problems and deficiencies" in the nation's drug-eradication programs. It noted that other drug-producing countries, "despite greater burdens, met or exceeded our expectations."

The annual report is the government's definitive estimate of worldwide drug production.

While criticizing Mexico and a few other nations, it praised Colombia, Jamaica and Belize, among other countries. Those three nations combined eradicated more than 4,400 tons (3,960 metric tons) of marijuana in 1985, helping to reduce overall marijuana production by more than 40 percent.

The report said that worldwide production of opium, used to make heroin, increased by about 14 percent in 1985.

Production of coca, used to make cocaine, showed little change, but the government acknowledged that it had been underestimating the world supply, which it said is now 20 percent larger than previously believed.

The report was delivered to Congress on Friday. Its estimates are used to determine whether foreign assistance should be reduced to countries that do not make significant efforts to cut narcotics production.

Last year's report set crop reduction goals for all the major drug-producing countries that export to the United States. The targets were set in consultation with the foreign governments, but the new report showed that only Burma and Jamaica met their goals, while Colombia met the goal for marijuana but not for coca.

Burma, the world's largest producer of opium poppy, reduced its crop below the State Department target largely because of poor weather, although in the last year Burma also has begun eradicating opium poppy.

The Mexican situation was attributed in large part to 'drug-related corruption which was affecting every facet of the enforcement program.'

A State Department official said some other countries had reasonable explanations for failing to make significant reductions. According to federal law, the United States must cut foreign aid to drug-producing countries that, in the president's view, do not make adequate progress in reducing production.

All the drug-producing countries receive some U.S. aid, but neither the administration nor Congress has shown much interest in cutting assistance, and no significant proposals for cutting aid are under discussion now.

While the report said that drug production remained "intolerably high" in many countries, the State Department said it still found 1985 "a very productive year." Five years ago, only two nations had drug-eradication programs under way, but by the end of 1985 the number had risen to 14.

The State Department also noted that many countries have made narcotics control a major foreign policy issue in the last year. Previously, the United States had been almost alone in promoting international narcotics control.

The report said that "critical concern" was focused on Mexico last year because of "evidence that the once-effective opium poppy and marijuana-eradication program has become less effective and that production levels were rising for both narcotics." It attributes this in large part to "drug-related corruption which was affecting every facet of the enforcement program."

Leonardo French, a spokesman for the Mexican Embassy in Washington, said: "Mexico has been doing its best for many years and is firmly committed to keep on doing its best." He said the Mexican government believed that the problem could not be solved without attacking "all the links in this chain of criminal activity," including money laundering, drug distribution and consumption. "Most of those links are not in Mexico," he said.

The report was unable to derive accurate estimates for opium and marijuana production in Mexico in 1985. But it said production was clearly above the 1984 levels, which it said were 21 tons for opium poppy and 2,500 to 3,000 tons of marijuana. Virtually all of that is believed exported to the United States.

The study also criticized Bolivia for failing to eradicate any of its huge coca crop. Bolivia has had one of the world's most intractable drug-production problems, but the report noted that in the last year Bolivia at least enacted new laws to make drug eradication possible and began an eradication "pilot project." The U.S. report said that Bolivia probably produces about 35,000 tons of coca leaf a year.

Peru has long been the world's largest coca producer, and the report said that the United States has been seriously underestimating production there. Last year's report said that Peru produced 62,000 tons of coca leaf. This year the estimate was revised to 105,000 tons.

U.S. Facilities in Honduras Criticized

By Fred Hiatt
Washington Post Service

WASHINGTON — The Reagan administration is improperly using training exercises in Honduras to build millions of dollars worth of facilities that have not received the required congressional approval, the General Accounting Office has concluded.

The GAO, an investigative arm of Congress, said that many of the airstrips, barracks and other facilities constructed during three years of continual maneuvers appear permanent and operationally useful.

"This exercise-related construction has been used to support a continuous U.S. military presence in Honduras, carrying out a variety of training and operational functions," it said, adding that "even at the time of construction, a more extensive use was contemplated."

A Defense Department spokesman said he could not comment because he has not seen the report.

In a 35-page report that has not yet been published, the GAO said the administration reported $3.7 million in construction related to exercises in Honduras since 1983, which it said significantly understated the real amount.

The military improperly manipulated figures in some cases to evade congressional reporting requirements that apply to facilities costing more than $200,000, the GAO said.

In a recent case, engineers built a stretch of road in northern Honduras but listed it as two connecting stretches, each costing less than $200,000, it said.

Further, the report said, the U.S. military had Honduras supply some of the fuel and other materials for the project so that their value would not be included in the total. Honduras then was reimbursed for the materials with U.S. foreign aid funds.

Duvalier to Fight Expulsion

Reuters

PARIS — Jean-Claude Duvalier and his wife, Michèle, vowed Friday to fight plans to expel them from France, and Mr. Duvalier said he was not told that he could not stay in France permanently.

Mr. Duvalier, the exiled Haitian dictator, told the radio station Europe 1: "France agreed to accept me and the Americans supplied the transport. At no moment was I given to understand that my stay in France was temporary."

"If I had not believed that the only country in the world which I feel close to would not welcome me," he said, "then I would never have given up power."

The interview, given in defiance of a French order barring him from making public statements, was Mr. Duvalier's first since he arrived in France on Feb. 7 for what the French government said at first would only be a stay of eight days.

Mr. Duvalier said he would fight for the right to stay in France despite a government rejection Thursday of his bid for political asylum.

He has been staying in a lakeside hotel at Talloires while the French government has hunted fruitlessly for another country to accept him.

Mr. Duvalier acknowledged "possible mistakes" during his rule and said he now realized he had been wrong to neglect his image abroad.

Another leader exiled in France, Jean-Bédel Bokassa, the former emperor of the Central African Empire, appealed Friday in a separate radio interview for France to expel him to his native country, now called the Central African Republic.

Mr. Bokassa, toppled in 1979 in a French-backed coup, has been living in his château near Paris since the Ivory Coast expelled him two years ago.

INTERNATIONAL EDUCATION DIRECTORY

BELGIUM

CUT THIS OUT TO LEARN FRENCH

Céran, a château in the Belgian Ardennes where you learn and live in French. Small groups and private lessons, with tailor-made programmes for individual needs, ensure real progress. Good food, good company, good teachers. Come and learn, and enjoy yourself. We teach private people, companies, embassies, EEC, SHAPE etc.

For complete documentation, send this coupon or phone:
I am interested in courses for: ☐ Adults ☐ Young People
☐ Private ☐ Business

NAME
COMPANY
ADDRESS

CERAN
164, Avenue du Château, Nivezé, B-4880 Spa, Belgium. Tel.: 087/77 39 16. Telex 49650.

U.S.A.

Harvard this summer.

June 23-August 15, 1986

Harvard University Summer School, America's oldest summer session, offers open enrollment in nearly 250 day and evening courses, in more than 40 academic fields and pre-professional programs. The diverse curriculum includes courses appropriate for fulfilling undergraduate and graduate degree requirements, as well as programs designed for personal and professional development. The international student body has access to Harvard's outstanding libraries, museums, athletic facilities, and cultural activities, with the additional benefits of the Cambridge and nearby Boston communities. Housing for students is available in Harvard's historic residences.

Offerings include pre-medical and pre-law courses, undergraduate and graduate instruction in foreign languages, business, computer science, visual and environmental studies, anthropology, fine arts, education, psychology, the sciences and more. We feature a college-level program for secondary school juniors and seniors, plus special programs in Health Professions (for minority students), Dance, Drama, Film Studies, Writing, and English as a Second Language.

Further information is available by returning the coupon below or by calling: (617) 495-2494 (24-hour catalogue request line), or (617) 495-2921.

Harvard University
Summer School

Please send a Harvard Summer School catalogue and application for:
☐ Arts and Sciences ☐ Secondary School Program ☐ Drama
☐ English as a Second Language ☐ Writing ☐ Dance
☐ Health Professions Program

Name
Street
City State Zip

Harvard Summer School
20 Garden Street, Dept. 220
Cambridge, MA 02138 U.S.A.

EDUCATIONAL COUNSELING AND PLACEMENT
For U.S. Universities and Secondary Schools, by a professional staff of former Ivy League admissions deans and published authors.
HOWARD GREENE AND ASSOCIATES
FOUNDED 1968
Consultants to multinational corporations
and hundreds of international families
237 Post Road West, Westport, CT 06880, U.S.A. (203) 226-4257
214 East 70th Street, New York, N.Y. 10021 U.S.A. (212) 737-8866
Telex: 178285 EDUC-UT

FRANCE

For COMPLETE ALL-DAY IMMERSION in FRENCH,
there's only ONE
INSTITUT DE FRANÇAIS

Daily 8:30-17:30. With 2 meals, in small groups. Audio-visual Classes. Language Lab. Practice Sessions. Discussion-Lunch, Excursion. Lodging in private apartment included. For adults. 6 levels: from beginner I to advanced II.
Next 4-week course starts March 3, April 1, 1986 and all year.
Years of research & experience in the effective teaching of French to adults.
INSTITUT DE FRANÇAIS - B.22
23 Av. Gén.-Leclerc, 06 VILLEFRANCHE/MER. Tel.: 93 01 88 44. Tlx.: 970.989F.

U.S.A.

Stanley H. Kaplan
The Smart MOVE!
PREPARATION FOR:
MCAT - FMGEMS
FLEX - CGFNS
NCLEX-RN - TOEFL
ESL - MSKP
Stanley H. KAPLAN EDUCATIONAL CENTER LTD.
TEST PREPARATION SPECIALISTS SINCE 1938
For information regarding programs authorized under Federal law to enrol non-immigrant alien students in the U.S.A., please call:
212-977-8200
Or Write: Dept.HT
Stanley H. Kaplan Educational Center Ltd.
131 West 56 Street
New York, N.Y. 10019
Permanent Centers in More Than 125 Major US Cities Puerto Rico & Toronto Canada

FRANCE

EN
ECOLE NICKERSON
Langues Vivantes
Since 1962
French
German, Italian, English, Arabic, Spanish, Portuguese, Russian
Intensive, extensive courses
Groups or private lessons.
Adults
ECOLE NICKERSON
3 Ave. du Président Wilson
75116 PARIS
5th floor
Tel.: (1) 47.23.36.03

SWITZERLAND

Century University
Meeting today's demand for continuing education in over 99 countries
Swiss contact address
P.O.B. 1126, CH-5401 Baden
Phone 056/86 12 34

SWITZERLAND

HOLIDAY LANGUAGE COURSE
FRENCH - GERMAN
Spanish - Italian - Mathematics - Private Instruction
All sports
e.g. Tennis - Waterskiing - Surfing - Riding
Contact: O. Gademann/Mrs Schmid, Höhenweg 60, CH-9000 St. Gallen
CH: Tel. 071-27 92 91 · Telex 77 652 inst ch
Institut Rosenberg
since 1889

U.S.A.

UNIVERSITY DEGREE
BACHELOR'S • MASTER'S • DOCTORATE
For Work, Academic, Life Experience.
Send detailed resume for free evaluation.
PACIFIC WESTERN UNIVERSITY
600 N. Sepulveda Blvd.
Los Angeles, California
90049, Dept. 23, U.S.A.

The Special Report on INTERNATIONAL EDUCATION will be published on FEBRUARY 27, 1986.
For information, please contact Françoise Clément, International Herald Tribune, or your nearest IHT representative.

Moslems, Hindus Fight in India Over Disputed Religious Site

The Associated Press

NEW DELHI — The army was called out in a second Kashmir town Friday to halt rioting between Hindus and Moslems, a news report said. The authorities in several Indian states braced for more sectarian clashes.

The violence was triggered by the reopening of a disputed holy place in Uttar Pradesh state in northern India. Moslems say the site is a mosque, while Hindus consider it an ancient temple to Lord Rama.

Twenty-seven persons have been reported killed and more than 500 have been hurt in sectarian strife during the past week involving Hindus, Sikhs and Moslems. Hindus and Moslems have fought in at least seven states over the reopening of the shrine in Uttar Pradesh.

Three cities in Uttar Pradesh are under curfew because of violence and arson.

United News of India said the army was called out in Anantnag, about 31 miles (50 kilometers) from Kashmir's capital, Srinagar, after violence flared in nearby villages.

Soldiers were called out Thursday in nearby Wanpoh after widespread arson and looting by Moslems, and more than 20,000 paramilitary troops were rushed to Kashmir, a predominantly Moslem Himalayan state.

Moslem youths in Kashmir have been holding protest rallies against the reopening of the shrine. Several Hindu houses, shops and vehicles were burned in Srinagar on Thursday as schools, banks and offices remained closed.

In Calcutta, border security troops marched through troubled city districts after Moslems held a protest rally. Security was tightened Friday in Calcutta as Moslem leaders decided to hold special prayers.

■ Punjab Warned

The chief minister of Punjab, Surjit Singh Barnala, warned Friday that army rule could be imposed in the state, which is dominated by Sikhs, if violence by militants continued, the Press Trust of India reported, according to Reuters in New Delhi.

Mr. Barnala, leader of the moderate Akali Dal party, delivered his warning at a memorial service for a moderate Sikh student leader killed by militants earlier this month.

However, as he spoke in Ghumankalan, another Sikh moderate and his bodyguard were shot to death on their way to the service, the Press Trust said.

The news agency said that gunmen ran up to the horse-drawn carriage in which the two men were riding and fired at close range. The gunmen escaped.

Mr. Barnala said that increasing violence in the north Indian state could lead to army rule during which popular government would not be able to function.

He came to power last year after an agreement between the central government and the Akali Dal permitted elections to be held in the state, ending direct rule from New Delhi imposed in October 1983 because of Sikh extremist activity.

Mr. Barnala faces an increasing challenge from militant Sikhs, especially student-led extremists who seized control of the Sikh's holiest shrine, the Golden Temple in Amritsar, on Jan. 26.

In New Delhi, Prime Minister Rajiv Gandhi began Friday what could be one of the stormiest parliamentary sessions of his 15 months in office, following mass protests over price increases in food and other staples, along with the Hindu-Moslem fighting and Sikh extremist violence in Punjab.

Mr. Gandhi was the target of protests this week over government-imposed increases of up to 15 percent in the price of bread, rice, cooking fuel and bus fares.

The increases have proved a rallying point for India's splintered 15-party opposition, which has called a general strike across most of the country for Feb. 26.

Attacking Franglais

(Continued from Page 1)

called for the replacement of *"le scoop"* with *"l'exclusivité,"* *"le desk"* (in a newsroom) with *"le bureau de dépêches,"* and *"le Walkman"* with *"le baladeur."*

Television viewers are chuckling over a slickly produced commercial that seeks to root out "Franglais," a bastard mixture of French and English. When a hip-looking young man suggests that his date join him in *"un drink dans mon living, cool,"* his car promptly falls apart and he receives a slap in the face. He then repeats the offer in French, suggesting *"un dernier verre,"* and the woman swoons with delight.

For many proponents of "Francophonie," a kind of French linguistic commonwealth, the purity of the language is more important than the number of people who speak it. French, according to this view, is more than just a language. It is a culture, a civilization, a way of thinking.

Mr. Mitterrand devoted a section of a recent book on foreign policy to inveighing against French politicians and diplomats who let down their country abroad by speaking English.

He also described how, as president, he devoted considerable attention to analyzing statistics of French education around the world.

"Nobody listens to a people that loses its words," he wrote.

Sandinists Gaining Strength

(Continued from Page 1)

helicopters that could challenge the Sandinists' air superiority, might improve their position.

He also said they would greatly profit from U.S. advisers "who could teach them how to launch an attack instead of just running wild."

Congressional aides and other officials in Washington said they were uncertain how the guerrillas' troubles would affect coming votes on Reagan administration proposals to give military aid to the rebel force.

"Some members figure that if the contras are being wiped out, there's no use wasting any more money on them," said one aide in a telephone interview. "But others are saying that now is the time when an infusion of cash can do the most good."

■ Reagan Proposal Criticized

Democratic leaders in the U.S. House of Representatives sharply criticized on Thursday Mr. Reagan's proposal to send military aid to the rebels in Nicaragua and expressed confidence that they could defeat his plan in a showdown vote, The New York Times reported from Washington.

Last year Congress agreed to send $27 million in nonmilitary aid to the rebels battling the Sandinist government. This week Mr. Reagan said he would ask Congress to allocate another $100 million in covert aid.

Thomas P. O'Neill Jr., the speaker of the House, said at a news conference Thursday that if Congress granted the president's request, it "would be a disaster and a shame for this country."

At a meeting of Democratic leaders on Thursday morning, there was a "consensus" in the room that the House was likely to repeat its action of last year and reject the military aid request.

'Imperialists' From Abroad Are Assailed By Marcos

(Continued from Page 1)

world, join her in boycotting the Marcos regime."

On Thursday she met diplomats from more than a dozen European nations and Japan, and afterward several of them indicated that they planned to boycott Mr. Marcos's inauguration on Tuesday.

In what appeared to be a diplomatic counteroffensive, Mr. Marcos said he was sending high-level special missions to Washington, Europe, the Vatican and Japan to brief heads of state on the political situation in the Philippines.

Rallies, boycotts and strikes are being organized against Mr. Marcos by a moderate opposition alliance led by Mrs. Aquino, who says she was cheated of an election victory by Mr. Marcos.

On Friday, the leftist group Bayan, which has staged successful strikes in several large Philippine cities, announced it was backing Mrs. Aquino's call for a nationwide shutdown Wednesday, the day after Mr. Marcos's inauguration. The group boycotted the election.

Removal of General Ver, one of Mr. Marcos's closest aides, has been an insistent demand of senior U.S. officials who say he is an obstacle to urgently needed reforms to make the 220,000-man regular and paramilitary force a more respected and effective contingent to counter growing communist-led insurgency in the Philippines.

A source said Friday he believed Mr. Marcos may have changed his mind since Sunday about immediately replacing General Ver.

"Our reading is that Marcos is no longer sure he can survive the onslaught of pressure from within the Philippines and from overseas without having Ver at his side," the source said.

Mr. Marcos said Wednesday he would use his powers "to the limit" to prevent disturbances in the opposition's civil disobedience campaign.

In a speech to a ruling party caucus, he said that government orders could be enforced "with the assistance" of paramilitary forces and "other men in uniform" if they were not followed.

On Monday, a reformist group in the armed forces called on soldiers and police to exercise "utmost restraint and maximum tolerance" when dealing with dissenters.

It said the reformists recognized that members of the security forces had to obey orders from higher authorities.

Fidel V. Ramos

Reuters

U.S. Studies 2 Arms Plans

(Continued from Page 1)

about the same low level as in the other plan.

Critics say this approach is less desirable because it would allow the Soviet Union to pick its areas of deployment. It might, for example, decide to place all its SS-20 missiles in Asia, which would raise questions about the rationale for keeping U.S. missiles in Europe.

The West puts the total present SS-20 strength at 441. It acknowledges that the Russians have reduced the number of SS-20 missiles based in the European part of the Soviet Union from 270 to 243, in line with public statements. But the missiles that have been withdrawn are still counted because there is no evidence that they have been destroyed.

■ U.S. Cites First Test

The Conference on Disarmament in Europe will provide the first test of the sincerity of the Soviet Union's latest arms control proposals, Max M. Kampelman, a U.S. negotiator, said Friday, Reuters reported from Stockholm.

He said that the United States welcomed the statement by Mr. Gorbachev on Jan. 15 that Moscow would allow on-site inspection of nuclear test sites.

"The rhetoric on this question is much to our liking, but the test of that rhetoric is still to come," he said. "That is why we are looking with keen interest at the Stockholm talks where the issues of verification, compliance and inspection of arms control agreements face their first test."

A Mirror View for the Military

Many Defense Problems Resemble Those Civilians Face

By Joseph Fitchett

International Herald Tribune

PARIS — "Western Europe has scored some brilliant technological comebacks — in aerospace, nuclear power and oceanography. Most of these successes have been French government-led. But success in electronics and other emerging technologies requires conquering global markets for our products."

Sounding like a paragraph from the latest OECD report on France's approach to technology and innovation, this opinion comes instead from a new book by François Heisbourg, an influential member of the French military-industrial establishment.

Because of the growing importance of electronics and other new technologies in warfare, Europe's military strategists are being forced to contemplate industrial changes similar to those affecting civilian manufacturers.

In the process, they are facing many of the civilians' problems in keeping pace technologically and commercially with competitors: wasteful duplication of research, overreliance on protected markets in former colonies, the slowness of industrial organization on a Europewide scale and the reluctance of elites to contribute their skills to private industry.

Mr. Heisbourg is a 36-year-old Frenchman who is the son of a Luxembourg diplomat and a graduate of France's most prestigious postgraduate school, the Ecole Nationale d'Administration. The top civilian adviser in the Defense Ministry until last year, he then became a vice president of Thomson, the French electronics manufacturer. He was a key member of the Thomson team that sold a French battlefield radio system known as Rita to the U.S. Department of Defense, a $4-billion contract that was also sought by Britain and that was the biggest single U.S. order of foreign military technology.

Sounding again like the OECD report, Mr. Heisbourg argues in his book that revolutionary new technologies are needed for defense and that defense spending must spin off commercial innovations to consolidate the national economy. His views are detailed in "Microchips, Men and the Bomb" ("La Puce, Les Hommes et La Bombe"), which he wrote with Pascal Boniface, a defense researcher.

What they say about the implications of high technologies for French and European security could set the stage for the first real strategic debate in France since it decided in 1966 to leave NATO and rely on its own nuclear deterrent.

François Heisbourg

Mr. Heisbourg's themes are rarely aired publicly. Unions and military lobbies are strongly protectionist about national defense industries, resisting any suggestion that Europewide competition, or even cooperation, would be healthy.

In addition, the two most natural Europewide organizations to discuss the problem — the European Community Commission in Brussels and the Organization for Economic Cooperation and Development in Paris — have neutral member nations that block any discussion of the relationship between military industries and the economy as a whole.

Yet a growing number of experts and government officials agree with the broad lines of Mr. Heisbourg's list of problems.

These include overemphasis on government-led research. It worked well on catch-up technology, Mr. Heisbourg says: "Most of our heavy armaments are derived from World War II technology — jet aircraft, submarines, rockets, tanks and radar-guided antitank weapons." Even the initial generation of heavy computers was funded by governments.

"But the key to tomorrow's battlefield," he continues, "is microchips and 90 percent of them are being invented and used in civilian industries."

Inadequate research investment is another major weakness. "There is an appalling discrepancy in military research and development spending between the $40 billion invested annually by the United States and the $8 billion combined annual spending by Britain, France and West Germany," he says.

The problem becomes critical as weapons rely increasingly on technological innovation. In the coming generation of combat aircraft, research and development will mount to 30 percent of total cost, Mr. Heisbourg notes, double the figure now.

Lack of contact between arms manufacturers and commercial companies — the military equivalent of the gap between industry and academia — is another European problem. According to a forthcoming OECD report, the only exception is Sweden, which, like the United States, spends most of its military research budget in private industry.

As a result, European countries get limited industrial spin-off from their defense spending. The bulk of Europe's weaponry comes from government-run arsenals and shipyards, not from corporations making both military and civilian products. Moreover, military engineers tend to stay in the armed services, not migrate to civilian firms.

Mr. Heisbourg's goal of a strong military-industrial base for Europe can be attained only by initiatives on a European scale, he insists. "Europe's defense industries need the equivalent of Esprit or Eureka or other civilian inter-European programs to cope with new technologies," he says.

Such armaments cooperation is heresy to guardians of the Gaullist heritage of military independence in France. Significantly, however, the Dassault aviation company, whose fortunes were founded on the Gaullist insistence on a made-in-France air force, faces mounting public criticism.

A recent cover story in the newsmagazine L'Express charged Dassault — which is still run by its founder, Marcel Dassault, 94 — with failing to grasp the new competitive climate in high-technology industries.

Mr. Dassault lobbied successfully last year to keep France from joining a European consortium building a fighter plane largely designed by the British. Now Dassault's order books are empty, L'Express reported, leaving the company's future in doubt.

French Technology: A Case Study in Bottlenecks

(Continued from Page 1)

report says. "Small companies promote the in-depth modernization of the industrial fabric."

The report concludes: "The spirit of innovation has not yet penetrated deep enough into French society."

Explaining why, the report says that computers, robots and other advanced technology are not being adopted quickly enough by traditional sectors of the French economy. "Diffusion of advanced technology into products and processes throughout the economy is a market process. It cannot be defined, understood and pursued in the same manner as large-scale projects or [government-] specified high-tech objectives."

At fault, the report continues, is an unresolved contradiction in the country's approach to technology: policymakers' desire to impose their choice versus the need to let innovations "bubble up, in largely unplanned fashion, from areas of strength in French society."

In blunter terms, John Zysman, a University of California professor who helped write the report, states: "We're saying that what worked with the technology of the 1960s won't work with microelectronics, biotechnology and the other new technologies of the 1980s."

The nuclear, aerospace and even telecommunications programs that have been French success stories involved essentially "mature technologies," he explains. In other words, French engineers could see what the United States had accomplished and could concentrate on finding their own paths to similar solutions. "The problem now is to spot tomorrow's winning technologies, and the market will outperform bureaucrats every time," Mr. Zysman says.

The report's pertinence for Europe is plain. France's high-technology program is the most visibly successful in Europe. Since neighboring nations often look to France, even subconsciously, as a model for modernization, tensions there between government involvement and a stronger role for market forces can be mirrored throughout Western Europe.

"Most European nations are in an analogous position to France's, with their high-technology exports tending to succeed where the customer is a large institution or a protected market and doing less well on large, open markets," confirms Professor Umberto Colombo, the former head of Italy's nuclear-energy program and a consultant on technology to the European Commission, the executive arm of the Common Market.

He was one of four examiners named by the OECD to the innovation report's review committee, which was chaired by Viscount Etienne Davignon, a Belgian who is a former deputy chairman of the European Community Commission.

The committee members, all experts on high-technology issues, studied France's performance at the request of its government, which cooperated with the examination and authorized publication of the results despite their possibly controversial effects on the March 16 parliamentary elections.

The OECD report 'approved all the Socialist government's initiatives' with only one qualification — 'that we should push harder in some directions.'

— Hubert Curien

Hubert Curien, minister for research and technology, judged that the report "approved all the Socialist government's initiatives to remedy defects in our system, with only one qualification — that we should push harder in some directions."

A harsher verdict comes from the examiners, who say in effect that the Socialists have continued the policies of previous French governments, updating them effectively in some respects, but that what is needed now is a radically new approach. France, the examiners insist, should look at "what is needed and what has been achieved by France's competitors."

Reflecting the political sensitivity of the issue, the French government suppressed last summer a report it ordered about the country's technology. Titled "Le Gaulois, le Cow-Boy et le Samourai," the report was made by Jean-Jacques Salomon, director of the technology program at the Conservatoire des Arts et Metiers in Paris. He charged that France was putting the cart before the horse in "failing to see that strong high-tech industries are the result, not the cause, of a strong, healthy economic and technical climate."

Mr. Salomon's list of problems matched those cited by industrialists, economic analysts and political leaders in a series of recent interviews about Europe's attempts to find new approaches to business competition: too much government leadership in technology, an ambivalent attitude toward establishing Europewide industrial partnerships and poor relations among universities, government research centers and industry.

Echoing this analysis, the OECD examiners say that France has often pursued "technological prestige pure and simple," ignoring commercial priorities in industries where market forces are too powerful for any government to control.

The French electronics industry, for example, does profitable business with such customers as the state-run phone company or the ministry of defense, where competition can be halted by government order. But the report finds that French manufacturers are weak in selling consumer electronics that require agile adjustments of products and technology to respond to a quickly shifting international market.

The government's strong role in industry has traditionally been defended as necessary to compensate for the weakness of France's private industry against rivals, formerly in Europe, now in the United States and Japan.

But in its own informal report, the U.S. team said that at Groupe Bull, France's state-owned, heavily subsidized computer manufacturer, executives complained that the company needed to be exposed to real competition to consolidate its recently improved performance.

"There was some consternation at the government's decision to push Elf Aquitaine to purchase Bull computers not because they were the best but because they were French," the U.S. team told a seminar sponsored in Paris by the French-American Foundation.

Bull and BSN, one of the world's largest food and beverage producers, were singled out by the Americans as rare French companies that share the characteristically competitive U.S. and Japanese attitude of feeling "at war" in the international marketplace.

The charge that France is falling behind in new electronic technologies is controversial. In rebuttal, French officials point to the runaway success of Minitel, France's version of videotex — a system that uses the telephone to provide information services on microcomputers in homes and offices.

"We have succeeded where everybody else in the world has tried and failed," says Georges Nahon, managing director of Intelmatique, which is marketing Minitel internationally for the state-run Post, Telecommunications and Telebroadcasting agency.

His claim seems credible: Compared with Britain, which pioneered videotex and has 60,000 subscribers for its Prestel system, France has 1.4 million Minitels in service and plans to double that number this year. Although most telephone subscribers are entitled to get a Minitel free, extra machines must be rented. Already there are 45,000 paying Minitels in Paris, "more than the 35,000 videotex terminals in all of West Germany, which spent billions to develop its system," Mr. Nahon says proudly.

To promote further entrepreneurship in France, the OECD report says, social changes are needed. It adds that changes are being inhibited by an elite, recruited mainly from a few prestigious schools, that dominates the French bureaucracy.

The U.S. experts confirm the charge. To usher in an information society in France, the Americans say, "The most important single reforms are yet to take place and are in education. The French system is entirely too dependent on its elites and the presumption that because people have passed the right kind of exams, they are capable of doing anything."

The OECD report discusses another problem cited across Europe by business and political leaders in recent interviews: the gulf between academic research and industry that slows the rate of innovation.

The problem is deeply rooted in Europe and particularly in France, where universities are largely confined to teaching, leaving most research to state-run laboratories.

As a result, the OECD report says, "It is certainly no surprise to discover that the French educational and research communities are separate, self-regulating and often inward-looking bodies. Their corporatist nature both perpetuates separations between and within the two structures and contributes to the isolation of each from industry."

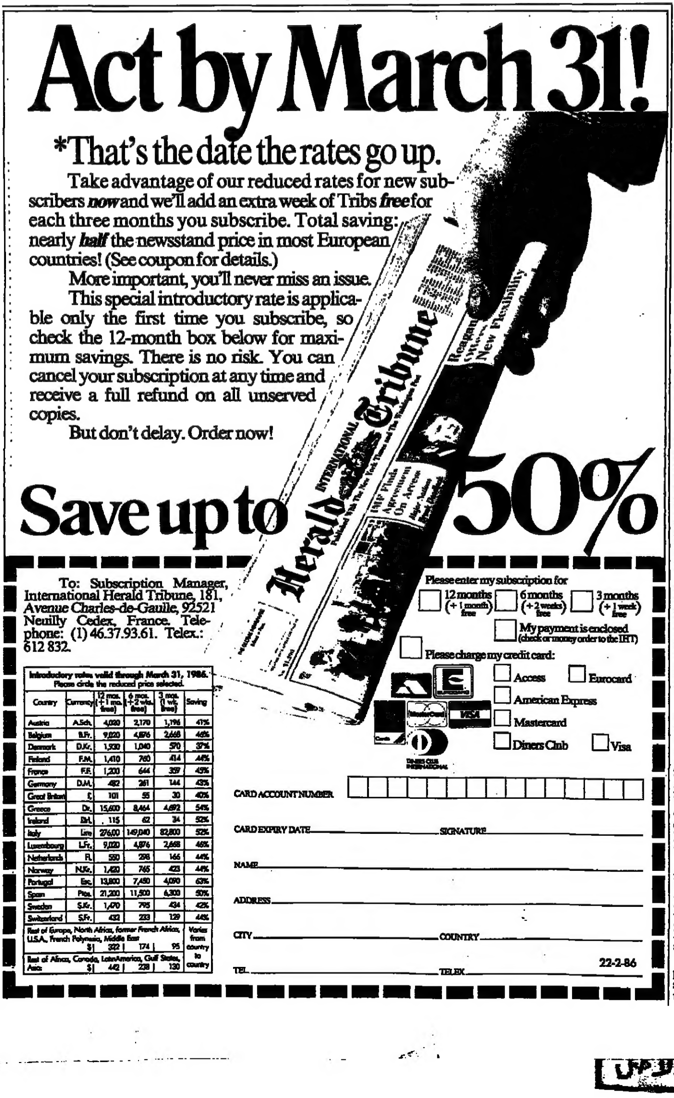
Acknowledging that this is a major roadblock to innovation, Mr. Curien, the technology minister, cited the Socialist government's efforts to improve contacts between French industrialists and researchers. Given the dimensions of academic inertia, the OECD report calls these remedies "timid" and "puny."

For example, France's government-run Centre National de la Recherche Scientifique is one of the largest research institutions in the world, with 23,000 researchers, including 13,000 engineers. In 1982, the French government assigned Jean-Jacques Duby, then a 42-year-old IBM executive, the mission of building bridges between industry and the CNRS.

One of Mr. Duby's top priorities was getting more researchers to work temporarily in industry. Among the incentives were salaries at least double their government stipends and an agreement that each year spent in industry would count as two years' service at the research center. Last year a record number of CNRS staff members agreed to take jobs in industry — 50 in all.

At least 40 of them are expected to return to the research center this year. This month Mr. Duby quit and returned to IBM. He declined to be interviewed about his experiences at the CNRS.

NEXT: Labor rigidities — the sticking point.



Act by March 31!

*That's the date the rates go up.

Take advantage of our reduced rates for new subscribers *now* and we'll add an extra week of Tribs *free* for each three months you subscribe. Total saving: nearly *half* the newsstand price in most European countries! (See coupon for details.)

More important, you'll never miss an issue.

This special introductory rate is applicable only the first time you subscribe, so check the 12-month box below for maximum savings. There is no risk. You can cancel your subscription at any time and receive a full refund on all unserved copies.

But don't delay. Order now!

Save up to 50%

To: Subscription Manager,
International Herald Tribune, 181,
Avenue Charles-de-Gaulle, 92521
Neuilly Cedex, France. Telephone: (1) 46.37.93.61. Telex.: 612 832.

Introductory rates valid through March 31, 1986. Please circle the reduced price selected.

Country	Currency	12 mos. (+1 mo. free)	6 mos. (+2 wks. free)	3 mos. (1 wk. free)	Saving
Austria	A.Sch.	4,020	2,170	1,196	41%
Belgium	B.Fr.	9,020	4,876	2,668	46%
Denmark	D.Kr.	1,930	1,040	570	37%
Finland	F.M.	1,410	760	414	44%
France	F.F.	1,200	644	359	45%
Germany	D.M.	482	261	144	43%
Great Britain	£	101	55	30	40%
Greece	Dr.	15,600	8,464	4,692	54%
Ireland	£Irl.	115	62	34	52%
Italy	Lire	276,00	149,040	82,800	52%
Luxembourg	L.Fr.	9,020	4,876	2,668	46%
Netherlands	Fl.	550	298	166	44%
Norway	N.Kr.	1,420	765	423	44%
Portugal	Esc.	13,800	7,450	4,090	63%
Spain	Ptas.	21,200	11,500	6,300	50%
Sweden	S.Kr.	1,470	795	434	42%
Switzerland	S.Fr.	432	233	129	44%
Rest of Europe, North Africa, former French Africa, U.S.A., French Polynesia, Middle East	$	322	174	95	Varies from country to country
Rest of Africa, Canada, Latin America, Gulf States, Asia	$	442	238	130	

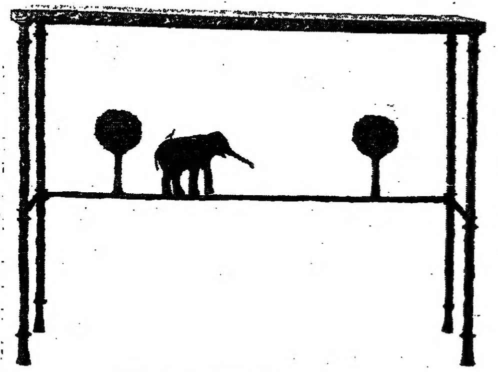
Please enter my subscription for
☐ 12 months (+1 month free) ☐ 6 months (+2 weeks free) ☐ 3 months (+1 week free)
☐ My payment is enclosed (check or money order to the IHT)
☐ Please charge my credit card:
☐ Access ☐ Eurocard
☐ American Express
☐ Mastercard
☐ Diners Club ☐ Visa

CARD ACCOUNT NUMBER
CARD EXPIRY DATE ______ SIGNATURE ______
NAME ______
ADDRESS ______
CITY ______ COUNTRY ______
TEL ______ TELEX ______

22-2-86

هكذا من الاصل

ARTS / LEISURE



Decoration for a console by Diego Giacometti.

A Master of Patina: Diego Giacometti

By Michael Gibson
International Herald Tribune

PARIS — Living in the broad shadow cast by his brother, Alberto, Diego Giacometti, who died in July at the age of 83, enjoyed the sort of confidential celebrity that best suited his modest dignity.

The brothers had complementary natures. Alberto, the elder by 18 months, was the brilliant public figure, the sculptor who tackled the most fundamental artistic issues of the day. Diego kept out of the limelight. He had no taste for glory.

It was this that allowed them to work together so effectively. Diego helped his brother with his craft — so much so that Alberto once told the photographer Henri Cartier-Bresson: "*Le sculpteur, c'est Diego.*"

Alberto lived by night. In the prewar years he would occasionally come home in the small hours of the morning and start telling Diego about the sculpture he had imagined. He would then go to bed while Diego set to work. In the evening Alberto would set his mark on what his brother had done, after which Diego would add the finishing touch.

When World War II broke out, Alberto was in Switzerland and could not return to France. Diego found himself alone in Paris and finally, at 40, quite on his own for the first time. He began studying sculpture at the Académie Ranson, and his remarkable craft earned him the reputation of "*l'as des patines*," meaning that he, better than anyone, had mastered the art of giving bronze the desired patina.

In time, through the grapevine of collectors, Diego acquired an independent reputation as a maker of bronze furniture. He began working in this line during the 1940s, and after Alberto died in 1966 he devoted himself entirely to this form of work.

The exhibition at the Musée des Arts Décoratifs, the only one Diego ever agreed to in principle, shows a broad selection of his incomparable craft: tables, chairs, benches, banisters, lamps, coat-hangers, andirons, all looking both Etruscan and modern, or more exactly, both contemporary and ageless.

Diego Giacometti had a marvelous sense of proportions. The thin lines of his furniture, which could only be achieved with metal, suggest some ancient furniture — one is reminded not only of the Etruscans but of Roman frescoes with their long, spun-out lines.

These lines evoke the formal abstractness of a drawing, but every inch of every rod was modeled by the artist's fingers, so that every inch is discreetly alive.

But this would still not have given more than fashionable elegance without the warmth emanating from the artist's personality — his peaceable poetic fancy and his sympathy for animals. Animals and plant motifs appear in nearly all he did: a baby mouse nibbles at the leg of a table while two frogs observe him. An elephant with a bird on its back lumbers across the delicate bronze strut of a console. With a nod to La Fontaine, a table designed for a lawyer is decorated with a fox and two hens. Trees also appear ubiquitously, and so do leafy branches.

Diego Giacometti's furniture decorates countless private homes, but it can also be seen all over the new Musée Picasso in Paris, providing a discreet link between the cool and ancient decorum of the building and the modernity of its contents. The chairs and tables of the bar of the Maeght Foundation in Saint-Paul-de-Vence are also his work — they are sturdier and less playful than pieces designed for private homes, no doubt.

Diego Giacometti, Musée des Arts Décoratifs, 107 Rue de Rivoli, through April 13.

□

As part of a series events devoted to Venice, that city has sent a set of five delightful frescoes by Gian Domenico Tiepolo to the Orangerie, where they are on view with some of his paintings from the French public collections. The Venice frescoes, originally painted by Tiepolo to decorate his country house at Zianigo di Mirano, near Mestre, are mainly devoted to a host of the long-nosed carnival and comedia dell'arte figures known as Pulcinella in Italy and, in England, Punch.

In 1906 the owner of the house had the frescoes removed and was about to sell them to some French antique dealers when the City of Venice pre-empted them and placed them in its museum of the 18th century, Ca' Rezzonico. There are quite a few more of them than the five now in Paris, but what there is to see is a good sampling.

The frescoes are luminous, poetic and melancholy — when they are not turbulent and ribald. And they are particularly interesting because they show the sort of work that Tiepolo did for his enjoyment alone.

One painting shows a couple dancing the minuet — the pleasant-faced young woman is practically concealed by an implausibly large white bonnet, while an equally large dress hides the rest of her person. The carnival figures with Pulcinella masks can be seen drinking, making advances to a girl also with a long-nosed mask, watching tumblers going through their act and finally sleeping it off, belt unbuckled, in the shadow of a pine tree.

"Gian Domenico Tiepolo: Galanteries Vénitiennes," Musée de l'Orangerie, through March 24.

Violence, Striking Photography Mark 'Himatsuri'

MOVIE MARQUEE

By Mark Hunter

PARIS — A chief achievement of "Himatsuri" (showing here as "Les Feux d'Himatsuri"), which is being hailed as a landmark of the new Japanese cinema, lies in its portrayal of a provincial corner of modern Japan, a coastal fishing village bordered by wild mountains, whose inhabitants observe pagan taboos while selling off their plots of land for industrial development.

The only holdout is Tatsuo (Kinya Kitaoji), who considers himself "the lover of the mountain goddess," a self-described "hunter of beasts and women." The fishermen suspect him of pouring oil into the bay to poison their fishing grounds, scheduled to become a marine reserve; his protégé, Ryota (Ryota Nakamoto), worships him as a god; and his boyhood lover, Kimiko (Kiwako Taichi), now a prostitute, betrays him to the developers' agent.

The director, Mitsuo Yanigimachi, creates a detailed tapestry of the relations between his characters, their environment, and the outside forces bearing down on their fates (aided by Masaki Tamura's striking photography, which attains the sublime in a sequence where Tatsuo confronts a forest storm). One of the film's recurring images, of the traps Ryota eagerly sets for mountain birds, captures a menace that runs throughout the film. Sooner or later, all these people will fall into a trap: modernity, the goddess's wrath or human vengeance.

What is awful in this film is not its naturalistic violence, which reaches its peak in a scene where Tatsuo's hunting dogs tear a wild boar to pieces; the problem is Yanimigachi's misuse of the viewer's suspense reflex. Virtually every scene takes us to the brink of emotional or physical catastrophe. By the time the ghastly climax arrives, our adrenal glands and emotions are incapable of further response. The effect is like eating roast duck three nights running: a sumptuous nausea.

□

"Les Folles Années du Twist" (The Crazy Years of the Twist) can be seen as a guerrilla attack on conventional ideas of what matters in history, and how to make a film about it. Its subject is the daily lives of Algerian and French refugees in a rundown housing project during the final years of the Algerian War, 1960-62. Under the watchful eyes of the puritanical local FLN chiefs leading the struggle for independence, and a heavy-handed troop of Foreign Legionnaires, the teen-agers Boualem (Malik Lakhdar Hamina) and Salah (Fawzi B. Saichi) careen between petty crime and fantasies of becoming either rock stars or liberation fighters.

Despite its wartime setting — everyone in the film ducks at loud noises — this is not a war movie, or even a narrative. The director and scriptwriter, Mahmoud Zemmouri, gives us history as a series of *café-théâtre* sketches (the Legionnaires' pudgy sergeant, "M'sieur John Wayne," is played by the French *café-théâtre* star Jacques Villeret). Tragedy is portrayed as farce, and vice versa, a formula that would collapse if Zemmouri did not keep the film moving at breakneck pace.

In one rapid-fire sequence, Zemmouri cuts between the teen-agers, who have been caught stealing oranges from a French planter's grove, and their fathers, who have been hauled in by the Legionnaires thanks to the boys' boasts of belonging to the FLN.

The climax of this tense moment arrives when a French torturer holds Boualem's father's face under water — and the poor old man, who has been waiting for hours in a hot corridor, gratefully drains the washtub.

In another scene, French hopes of rekindling a sense of community with the locals collapse when a Christmas party ends in the theft of Santa Claus's gifts (by the housing project's kids, whom Zemmouri subtly uses to suggest the ultimate price of civil war, a rootless amorality).

Zemmouri repeatedly catches his audience midway between a giggle and a sob, in scenes built around a desperate silliness. The result is a film that punctures the pretensions of both revolutionaries and colonialists — which explains why Zemmouri faced obstacles in finishing the film in Algeria and in finding distribution in France. His reward has included several prizes, including the Grand Prix du Public at the Grenoble Film Festival.

□

In Rudolf Thome's "La Main dans l'Ombre" (The Hand in the Shadow), Bruno Ganz plays Faber, a computer troubleshooter who falls in love with an avaricious actress named Juliet (Dominique Laffin), and thus comes under the influence of her gangster mentor, Melo (Hans Zischler). When this trio first meets by chance at an art gallery opening, Faber, a chess nut, handily beats Melo at the game, to Juliet's amazement. But Melo is the ultimate victor: He has already begun maneuvering Faber into a computer theft involving millions of dollars.

Melo offers two enticements in this real-life chess tournament. First there is Juliet, the queen he sacrifices to capture Faber; then there is the excitement of the game itself, which does not register emotionally on Faber until the unforeseen murder of a bank guard ("I calculated everything!" moans Faber) leaves him no way out but forward.

Thome sidesteps a major problem of films whose heroes are criminals: He never asks us to sympathize with his characters. He repeatedly cuts to a concert by the singer Laurie Anderson, hinting through a minor character that she is a one-woman "Greek chorus, commenting on the action." Though these breaks provide visual relief — the Berlin apartments of the principals are furnished with and like chessboards — they generally prove that artiness is more wearying than life. So do Thome's repeated references to other films, most prominently the love triangle of "Jules and Jim" and Laffin's early movie "The Woman Who Cries."

Mark Hunter is a journalist who writes about cultural affairs in Europe.

Textile Designs, Swiss Stained Glass

By Max Wykes-Joyce

LONDON — The current quadripartite exhibition at the Victoria & Albert Museum serves two purposes — to emphasize the vast ranges of the museum's permanent collections and to exemplify the immense variety of exhibition themes presently to be viewed in London. The largest portion of the show, in the large new gallery in the Henry Cole Wing (Exhibition Road entrance), is "Designs for British Dress and Furnishing Fabrics, 18th Century to the Present."

It starts with designs for 18th-century London silks by Joseph Dandridge (1664-1747), a naturalist and botanist who used his knowledge of plants as a basis for his fabric designs, and designs by Anna Maria Garthwaite (1690-1763), a busy free-lance who adapted her tree patterns for dresses and carpets from those of the French silk designer Courtois of Lyon; it ends with many "pure" modern artists who have been closely engaged in fabric design.

Among these were the English-based French sculptor Henri Gaudier-Brzeska (1891-1915) who probably stylized the cockatoos that we know he saw and made drawings of in Bristol Zoo, to pattern a fabric. Among living artists are Tom Philips (b. 1937), painter, author and musical composer, with tapestry designs for St. Catherine's College, Oxford; Marianna Straub (b. 1909) with a fabric design based on X-ray crystallography; "Geranium," a cotton furnishing fabric by the American Kaffe Fassett (b. 1937) and a founder of the Designers' Guild, Tricia Guild (b. 1937); and a "Star Wars" textile print by Georgina von Etzdorf (b. 1955).

Some fashions prevail in the adjoining section of "French 18th-Century Decorative Drawings." Here are the elegant fashions worn by the models of Françoise Boucher (1703-1770), Nicolas Lancret (1690-1743) and Jean-Baptiste Greuze (1723-1805). Other drawings include designs for garden furniture and ornaments by Gilles-Marie Oppenord (1672-1742) and Ennemond-Alexandre Petitot (1727-1801); an interior designed in 1777 by François-Joseph Bellanger (1744-1818) for the Duchess of Mazarin; a bed designed for such an interior by Jean-Démosthène Dugourc (1749-1825); and a chilling memorial of the age, the design in red chalk by Edmé Bouchardon (1698-1762) for a medal marking the end of the plague of 1723 in Marseille.

Civic pride of a different kind features in the third section of the show, "Swiss Stained Glass Designs" — the drawings for the armorial panels commissioned by rich Swiss citizens in the 15th and 16th centuries, to be set in the windows of town halls, guild halls and other public buildings in which the patrons had positions of importance. Twenty-five such designs, from more than 200 bought by the museum between 1859 and 1862, trace the history of Swiss stained glass in the period.

Chess buffs will much enjoy the final section, "Chess in Art and Society," which consists of illustrations, paintings, caricatures, early chess manuals, and a wealth of examples of chessmen and boards, from 13th-century English pieces carved in stone to the prize-winning Psion three-dimensional Microcomputer chess set, the ultimate refinement in computer games.

Victoria & Albert Museum, Henry Cole Wing, Exhibition Road, London SW7, through June 1.

□

The Dutch-born jewelry designer Peter de Wit, trained at Pforzheim, West Germany, and living and working in Sweden, is holding his first one-man show at the Electrum Gallery. His works are small, elegantly simple sculptures of geometrical shapes of pure rock crystal set in thin wire structures of yellow or white gold. This may sound colorless, but the jewels are in effect rainbow-hued, since the pieces of crystal take on and throw out whatever colors may be moving around them. No surprise that he has won prizes in Czechoslovakia, West Germany and Sweden, and is represented in the national collections of the Netherlands and Sweden.

Peter de Wit, Electrum Gallery, 21 Molton Street, London W1, through March 1.

□

The young English painter Chris Baker is represented in the permanent collections of the Metropolitan Museum in New York and the Arts Council of Great Britain. In this third London one-man show, his large new paintings, textured, architectural in feeling, and subtly colored, are much influenced in the quality of the light and the component shapes by visits last summer to Berlin and the Greek islands. In both there was a feeling of looking eastward, the Berliner influence profoundly somber, the Greek the transitional borderland between the shapes and customs of Europe and Asia.

Chris Baker — New Paintings, Paton Gallery, 2 Langley Court, London WC2, through March 1.

Ann Bergson is a Swedish painter, trained in her native land, later in France and Italy, and now living near London but traveling to other countries to make elegant, airy fresh watercolor landscapes. These are Sweden for its lakes, and Morocco for its sun-baked light. For good measure, there are some limpid southern English woodscapes equal in quality to the best of English watercolor painting.

Ann Bergson — Recent Watercolors, Saga Scandinavian Art, 3 Elystan Street, London SW3, through March 1.

Max Wykes-Joyce writes regularly in the IHT on London art exhibitions.

Textile design by Gaudier-Brzeska, Victoria & Albert.

'Treasure Houses' Show To Be Extended a Month

United Press International

WASHINGTON — The National Gallery of Art is extending through April 13 the "Treasure Houses of Britain" exhibit, which was to close March 16.

"It's a cliffhanger as to whether or not it will outdo Tut," said the gallery director, J. Carter Brown. The "Treasures of Tutankhamun" exhibit in 1976-77 drew 835,000 people; about 650,000 have visited the British show since it opened Nov. 3.

French Renaissance Faience Makes Exciting Sale

International Herald Tribune

PARIS — Works of art should be rare, but not too rare, if they are to make huge prices, as was shown Wednesday at a Drouot sale conducted by Claude Boisgirard.

SOUREN MELIKIAN

Assisted by the expert Philippe Boucaud, the auctioneer was dispersing a group of French Renaissance and early 17th-century faience such as had not been seen at auction within living memory. More than 60 vessels and carvings in low and high relief, collected over a lifetime by the late François Cottin, illustrated one of the most brilliant and least known facets of French art.

At the turn of the century, when French Renaissance pottery was at the height of fashion, most of the pieces would have been called the work of Bernard Palissy. Now experts prefer to talk about "the Palissy school." Very little is known about the artistic activity of this man from southwestern France, born around 1510. He settled in the province of Saintonge, where he did portraits and stained-glass windows. He also began to produce *faience* in the Italian manner, apparently inspired by the high-relief pottery sculpture created by Luca della Robbia.

The cost of building kilns and experimenting with techniques nearly ruined him, and his problems were compounded by the anti-Protestant persecutions. The protection of the Connétable de Montmorency saved him from being burned at the stake as a heretic, and won him the patronage of Catherine de Médicis.

Released from prison, Palissy came to Paris to set up a workshop in the Tuileries palace, where he worked on a large ceramic grotto. Fragments of it, recovered after the fire that devastated the Tuileries in 1871, are about the only pieces that can be safely considered to be from his hand. His position at court was not enough: He was again imprisoned as a heretic in 1587, and is believed to have died two years later in the Bastille.

The dramatic aspects of Palissy's life may account for the surprising paucity of surviving pieces. As it happens, one of the dishes sold Wednesday comes remarkably close to the Tuileries fragments. The shape is a mere excuse for low-relief carving on the theme of river life. In the central area, a rocky slab emerges in the middle of a stream. A snake winds its way among river-shells done so accurately that they may be assumed to have been molded from nature.

In the stream, whose streaky waters are painted in almond green enamels, five chubs are done with the same eerie concern for naturalistic detail. A crayfish crawls onto the broad convex rim where river life goes on — a toad, lizards, more shells, all done amid green waterside plants, making up a seething composition that remains balanced, with its crisp outline and rhythmical color scheme in almond green, wine and steely-gray.

Three more dishes in the same vein did not quite convey that impression of dense natural life let loose. There is no way of telling whether they are less inspired efforts by Palissy or inferior imitations by disciples. Seen side by side, these pieces encapsulate the Renaissance feel for nature transformed into gemlike symbols.

Also on sale were many pieces with low-relief scenes of a mythological or allegorical character. All have a sculptural quality, with a sharpness reminiscent of the stone bas reliefs of the Fontainebleau school. Nothing could be further removed from pottery as we generally see it, soft and rounded.

Together, the sale objects made an overwhelming impression. The expert, a dealer with 30 years of experience in selling what the French call *la haute époque* — "the early period," from Gothic to Renaissance — had based his estimates on prices paid in the trade at wide intervals for isolated pieces.

He could barely conceal his glee when prices started climbing. The first five lots served as a kind of warmup. One of the naturalistic dishes was knocked down at 12,000 francs (about $1,660) — the expert's lower estimate. Immediately after, a superb dish in the same manner went for 17,500 francs, triple the estimate, to Rainer Zietz of London, a leading dealer in Renaissance and Baroque works of art. He got the next dish at 30,000 francs, 50 percent above the higher estimate.

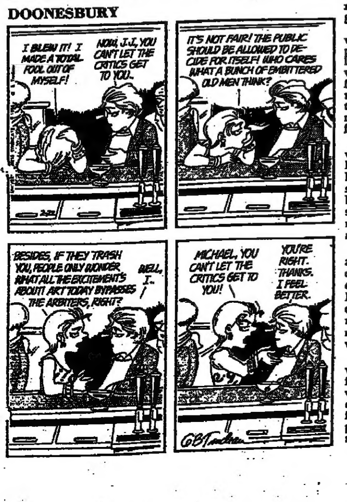
The sale took off when Geneviève Seydoux, one of the great French art collectors, moved in. Outbidding Zietz, she acquired for 35,000 francs an oval bowl with a formal Renaissance pattern in blue, brown and green that looks like a potter's interpretation of a goldsmith's piece in semiprecious stone. When she bought an oval dish with the high-relief figure of a woman wearing a deep blue tunic for 40,000 francs, well above the estimated 20,000 to 26,000 francs, surprise increased.

When the highest price in the sale — 125,000 francs, or more than five times the estimate — was paid (yet again by Seydoux against Zietz) for a high-relief bust of a young man holding out his hand, the spectators broke into applause.

To be seen in perspective, these prices should be compared with, for example, those paid for Italian majolica of the same period. The latter is far more abundant, yet fetches prices five or six times higher.

The last comparable sale, collectors and dealers agreed, occurred in 1897, when the Emile Gavet collection was dispersed in Paris. Given that there is little of its kind left outside museums, there will not be a third such in the near future.

DOONESBURY



I BLEW IT! I MADE A TOTAL FOOL OUT OF MYSELF!
NOW, J.J., YOU CAN'T LET THE CRITICS GET TO YOU..
2-22
IT'S NOT FAIR! THE PUBLIC SHOULD BE ALLOWED TO DECIDE FOR ITSELF! WHO CARES WHAT A BUNCH OF EMBITTERED OLD MEN THINK?
BESIDES, IF THEY TRASH YOU, PEOPLE ONLY WONDER WHAT ALL THE EXCITEMENT'S ABOUT! ART TODAY BYPASSES THE ARBITERS, RIGHT?
WELL, I..
MICHAEL, YOU CAN'T LET THE CRITICS GET TO YOU!
YOU'RE RIGHT. THANKS. I FEEL BETTER.
GBTrudeau

ANTIQUES

Amsterdam
(Dam Square)
Oude Kunst in
De Nieuwe Kerk
4th ART AND ANTIQUES FAIR
27th Feb. - 9th March 1986
Open from 11.00 a.m. to 6.00 p.m.
tue. and thurs. from 11.00 a.m. to 9.00 p.m.
and sunday from 12.00 a.m. to 6.00 p.m.
Information: 020-238904

AUCTION SALES

STAMP & COIN AUCTION
in HANOVER - *From March 8-12, 1986.*
Big luxurious catalogue, 550 pages (incl. 250 photo tableaux). Free of charge!
Interphila, Schoepke & Lange
Rathenaustraße 13-14, 3000 Hanover 1, West Germany.
Tel.: (0) 511-32 16 00.

Etude LIBERT - CASTOR
Associated Auctioneers
3, rue Rossini 75009 PARIS - Tel. (1) 48.24.51.20
HOTEL DROUOT - PARIS
Friday March 7, 1986 - Rooms 5 & 6
at 11 p.m.: Collection of old watches belonging to Mrs. D.
at 2:15 p.m.: Drawings and XIXth cent. old master paintings
11 Ernest MEISSONIER WORKS
(1815 - 1891) from his estate
Public viewing: Thursday March 6, 1986 from 11 a.m. to 9 p.m.
Friday March 7, 1986 from 11 a.m. to 12 noon.

INTERNATIONAL ART EXHIBITIONS

PARIS

GALERIE JEAN-PIERRE JOUBERT
38, Ave. Matignon, 75008 Paris. — Tel.: 45.62.07.15.
D'ESPIC
peintre-graveur - 1901/1978
February 19 - March 16

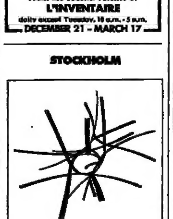
GALERIE MERMOZ
PRE-COLUMBIAN ART
6, Rue Jean-Mermoz, 75008 PARIS. Tel.: 43.59.82.44

GALERIE ELDÉE
105 Fbg. St-Honoré, 75008 PARIS.
Tel.: 42 89 09 51/42 56 35 80.
DARIUS
Paintings
From Tuesday to Friday, 12.30 to 7 p.m.
Saturday, 11 a.m. to 7 p.m.
Until March 29

MUSÉE RODIN
77, rue de Varenne, Paris (7e) - Mº Varenne
50 DRAWINGS
by
RODIN
From the second volume of
L'INVENTAIRE
daily except Tuesday, 10 a.m. - 5 p.m.
DECEMBER 21 - MARCH 17

WALLY FINDLAY
Galleries International
new york - chicago - palm beach
beverly hills - paris
2 Ave. Matignon - Paris 8th
Tel.: 42.25.70.74. tuesday thru. saturday
10 a.m. to 1 p.m. - 2.30 to 7 p.m.
EXHIBITION
EITEL
Permanent exhibition of:
ADAMOFF, ARDISSONE, AUGE, BOUDET, BOURRIE, CANU, CHAURAY, CASSIGNEUL, DUCAIRE, FABIEN, GALL, GANTNER, GAVEAU, GORRITI, HAMBOURG, HERBO, KEIME, KLUGE, LE PHO, MAIK, MICHEL-HENRY, MILINKOV, NESSI, NEUQUELMAN, SEBIRE, SIMBARI, THOMAS, VIGNOLES, VOLLET.
A. VIDAL-QUADRAS: Portraits
BALARIN: Sculptures
Hôtel George V - 47.23.54.00
31 Ave. George-V - Paris 8th
tues. thru. sat. 10.30 a.m.-1 p.m.-2.30 to 9 p.m.
Sunday and Monday 7 to 9 p.m.

STOCKHOLM



STOCKHOLM
ART FAIR
12-17 MARCH
1986
Head Office:
Leif Ståhle
SOLLENTUNAMÄSSAN AB
Box 174
S-191 23 Sollentuna
Sweden
Tel. +468 960060
Telex: 12955 Sofair S

NEW YORK/PARIS

ZABRISKIE
1936
SURREALISM
724 Fifth Ave, New York
THEODORE
ROSZAK
37 rue Quincampoix, Paris

LONDON

ZAMANA GALLERY
1 Cromwell Gardens, (opp. V&A),
London SW7. Tel.: 01-584 6612.
Presented by the MATHAF GALLERY
LANDS WITHOUT
SHADE
The Orient through Western Eyes
Feb. 19-March 16, Mon.-Sat. 10-5:30;
(closed Fri.) - Sun.: 1-5:30.

BASEL

MONET RENOIR CEZANNE
BRAQUE PICASSO CHAGALL
GIACOMETTI MIRÓ BACON
RAUSCHENBERG
GALERIE BEYELER
Bäumleingasse 9, 4001 Basel. Tel.: 061/23 54 12.

C

Herald INTERNATIONAL Tribune
Published With The New York Times and The Washington Post

Failure in the Middle East

It may well be true that Yasser Arafat, chairman of the Palestine Liberation Organization, is losing his place as a key player in Middle East diplomacy. He suffered another grievous setback on Wednesday when King Hussein of Jordan announced the collapse of the two men's search for agreement on how to proceed toward a negotiated settlement. This ended the only diplomatic game that had been going on.

The break came over Mr. Arafat's refusal to cross a threshold at which he had already balked many times. He could not bring himself, in the end, to accept United Nations Resolution 242 of 1967, which contains the only principle ever internationally agreed upon for resolving the Middle East conflict, namely, that Israel should trade occupied Arab land on the West Bank for the right to live within secure and recognized borders.

As the king tells it, Mr. Arafat did indeed miss a "historic opportunity." In a concession that the monarch and many others had thought impossible, the United States told him that if the PLO accepted resolution 242, Washington would accept PLO participation in an international conference at which it could "represent its people" and raise whatever issues it wanted. But Mr. Arafat raised a new condition: U.S. recognition of the Palestinians' right to self-determination. The breakdown reflected basic disagreement between Arab moderates who want to tackle the territorial issue first, leaving self-determination for later, and hard-liners who want both issues dealt with at once.

After coming so close to agreement on a formula for negotiation, the Middle East "peace process" is once more at a standstill.

There is little chance that another peace initiative will be launched any time soon. Frustrated and angered as he may be, there are no signs that King Hussein will go the way of the late President Anwar Sadat and start Camp David-type talks with the United States and Israel. He is again seeking the support of the West Bank Palestinians. Under a new law, Palestinians on the East Bank, in Jordan, will get a greater voice in the Jordanian National Assembly. The king is also certain to press ahead with his attempts to patch up relations with President Hafez al-Assad of Syria, who is Mr. Arafat's most determined Arab opponent.

Mr. Arafat has been unable to galvanize the PLO factions behind a cohesive policy. His authority may be waning. But it is still considerable — especially as long as he refuses to take any action of any kind. And there seems to be no other Palestinian leader capable of taking over from him.

INTERNATIONAL HERALD TRIBUNE.

Now Help Retire Marcos

The Reagan administration and Congress now agree that Ferdinand Marcos is a usurper who needs to be quickly driven from Manila's presidential palace. They properly declare that to be a security interest of the United States, an affirmation of its commitment to democracy and an obligation to the people of a former colony. The only questions concern tactics.

Secretary of State George Shultz says firmly what President Reagan should have said a week ago, that the United States will not acquiesce in Mr. Marcos's theft of the Feb. 7 election: "One can't say that we got … a legitimized and credible government." America's stake in Philippine democracy, he adds, exceeds even its interest in two big bases there.

The Senate usefully added a resolution accusing Mr. Marcos of murder and fraud. Americans of every political persuasion, and democratic governments everywhere, are now arrayed against him. Only the Soviet Union has congratulated his "victory" and evoked his thanks for "noninterference."

How can Americans help to push Mr. Marcos out and, in Mr. Shultz's phrase, remain "part of the future" in the Philippines? With tactics that protect the Philippine people and retain their confidence. Tailored economic sanctions are in order, if clearly explained. Military aid should be suspended, with assurance to army leaders that it will be quickly restored if they reject repression and facilitate a swift transition to democratic rule.

Mr. Marcos vows "to die" in office. That takes care of Mr. Reagan's vain dream of a transitional coalition — as if Corazon Aquino could forgive the murder of her husband and the theft of her mandate. As Mr. Reagan's special emissary, Philip Habib, will surely report, the only way to avert a civil war that would bolster a Communist insurgency is to strip Mr. Marcos of all institutional support.

The sooner that happens, the less bloody the transition. The Catholic Church stands firmly against him. The cautious merchant class is being asked to parade in a general strike. Mr. Marcos's threats of economic reprisal and violence have to be countered with more than the loan deferrals already announced by the IMF. The job of Americans in the coming week is to embolden the demonstrators. Let Mr. Habib visit the palace to convey Washington's total disenchantment, and let the protest strikers be proud to carry American flags.

Mr. Marcos cannot delude himself with hopes of making the "loss" of his regime an issue in American politics. Whether their first worry is human rights or military bases, Americans stand in rare unity against him.

Equally helpful is the effort by the House of Representatives to divert aid. That will prove to Philippine generals that Mr. Marcos can no longer deliver American funds and arms.

To study moving U.S. bases, as Senator Bob Dole proposes, will demonstrate that billions more are also in jeopardy. Such warnings now can make unnecessary the more damaging curtailment of sugar purchases worth $10 million a month, or cancellation of all aid.

Filipinos must choose their own political course. They spoke clearly in an election that U.S. agitation provoked. They have earned the right to be helped in retiring a deaf dictator.

— THE NEW YORK TIMES.

The Anti-Genocide Treaty

It was unusual to hear U.S. senators speak of their fathers during the course of debate on the genocide treaty. Because the treaty had been stalled in the Senate for more than a generation, it should not come as a surprise that men long dead were involved in the drama that preceded ratification last Wednesday. But at times the debate became personal and so, as it should for each of us, did the subject.

Senator Rudy Boschwitz spoke of his father, a Jewish judge in Germany, who came home on that January day in 1933 when Hitler took power and told his family that they were leaving the country. After almost three years, moving through half a dozen countries, the Boschwitz family was finally admitted to the United States. Many relatives who had not acted as quickly perished in the Holocaust.

After recounting this story, Senator Boschwitz spoke at length and with great respect of Herbert Pell, father of Senator Claiborne Pell, who served on President Roosevelt's War Crimes Commission and was in effect fired from a high State Department position because he pressed, with too much enthusiasm, the cause of genocide victims.

Senator Pell pointed out that another member of the Foreign Relations Committee had reason to be proud of his father: Senator Christopher Dodd's father Thomas, who was also a senator from Connecticut, had been a prosecutor at the Nuremberg war crimes trials that helped bring the staggering facts of Nazi-era genocide to the world's attention.

The treaty was written soon after World War II, and it is as relevant to Armenians, Cambodians and others as it is to Holocaust victims. Sent to the Senate for advice and consent in 1949, it has been controversial due to unjustified fears that it would somehow override the U.S. Constitution, subject citizens to criminal trial in international courts or give rise to charges against the United States based on segregation laws or Vietnam war activities. Through 37 years, though, there were always senators urging debate and ratification and deploring the U.S. failure to agree to the document. Senator William Proxmire in particular distinguished himself. President Reagan's strong support, announced in 1984, and Senator Richard Lugar's skilled negotiating were also crucial in persuading undecided senators.

Ratifying this treaty will not end genocide, which continues even today. But it will give formal recognition to America's moral commitment. This generation is completing the work of another, begun decades ago. Supporters of the treaty through this long period can share a sense of accomplishment and pride.

— THE WASHINGTON POST.

FROM OUR FEB. 22 PAGES, 75 AND 50 YEARS AGO

1911: Revolt for a Priest in Portugal

LISBON — A serious conflict is reported at Vandoma, in northern Portugal. A local priest, in a speech from the pulpit, attacked the Republic, and the authorities endeavored to arrest him. The population of Vandoma, Astremal and Rearos, to the number of several hundreds, armed themselves with all kinds of weapons and declared that they would defend the priest. The troops in the neighborhood managed to seize the priest, but were forced to retreat owing to the overwhelming forces of the attackers, who surrounded the prison, clamoring for the release of the priest. Additional troops were promptly dispatched to the scene to re-establish order. Religious feeling in the North of Portugal is very deep, and the antipathy to the Government is very marked.

1936: 30,000 Being Freed in Spain

MADRID — The standing committee of the Cortes sanctioned [on Feb. 21] a general amnesty for all political and social prisoners permitting the release of some 30,000 convicts, many of whom have been in jail without trial since October, 1934. The decision to attempt this step by a decree-law was reached by the Council of Ministers following pressure by Socialist leaders. A meeting was also held at the Ministry of War. The War Minister told the general staff officers: "I want to remind you that it is a question of honor for you to serve the régime, and in case this is not realized I shall have to enforce obedience." Officers present included Generals Francisco Franco and Manuel Goded, who were reported a day or two ago to be planning a military coup.

INTERNATIONAL HERALD TRIBUNE
JOHN HAY WHITNEY, *Chairman 1958-1982*

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
Co-Chairmen

LEE W. HUEBNER, *Publisher*

PHILIP M. FOISIE *Executive Editor*
WALTER WELLS *Editor*
SAMUEL ABT *Deputy Editor*
ROBERT K. McCABE *Deputy Editor*
CARL GEWIRTZ *Associate Editor*
RENÉ BONDY *Deputy Publisher*
ALAIN LECOUR *Associate Publisher*
RICHARD H. MORGAN *Associate Publisher*
STEPHAN W. CONAWAY *Director of Operations*
FRANÇOIS DESMAISONS *Director of Circulation*
ROLF D. KRANEPUHL *Director of Advertising Sales*

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Tel.: (1) 46.37.93.00. Telex: 612718 (Herald). Cables Herald Paris. ISSN: 0294-8052.
Directeur de la publication: Walter N. Thayer.
Managing Dir. Asia: Malcolm Glenn, 24-34 Hennessy Rd., Hong Kong. Tel. 5-285618. Telex 61170.
Managing Dir. U.K.: Robin MacKichan, 63 Long Acre, London WC2. Tel. 836-4802. Telex 262009.
Gen. Mgr. W. Germany: W. Lauterbach, Friedrichstr. 15, 6000 Frankfurt/M. Tel. (069)726755. Tlx. 416721.
S.A. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337.
U.S. subscription: $322 yearly. Second-class postage paid at Long Island City, N.Y. 11101.
© 1986, International Herald Tribune. All rights reserved.

Philippines: The Choice Ought to Be Easy

By Flora Lewis

PARIS — Corazon Aquino put it succinctly. "Those who are prepared to support armed struggles for liberation elsewhere discredit themselves if they obscure the nature of what we are doing peacefully here." The Philippine opposition leader added that there was more "at stake than the removal of an impostor president; it is the future of democracy itself."

When the president of the United States is calling for many millions of dollars in heavy arms for those he calls "freedom fighters" in Nicaragua and Angola, it is hard to explain why he is so loath to take a stand on the Philippines. Surely it cannot be that Washington prefers to wait until there is a large-scale armed insurgency to confront with military means.

American domestic politics may be getting in the way of a nonviolent solution.

The remarkable aspect about the turmoil in the Philippines is that this is one case where the choice ought to be easy. It isn't often in the Third World that there is a real and massive democratic movement to support against an oppressive regime at one end of the spectrum and Communist-led guerrillas at the other.

Nor should the means to advance the choice be costly or hard to find. Washington can announce that it does not recognize the fraudulent reelection of Ferdinand Marcos and considers the country temporarily without a legitimate government. He was given plenty of notice.

Backed up by Congress, by many willing allies and by the Vatican, that would deliver a loud and clear message to Mr. Marcos's uncertain followers in the worried business community and doubtless to many in the army, as well as to the opposition. In such circumstances, U.S. aid could hardly go to the non-recognized regime.

Mr. Marcos has added to the provocation by thanking the Soviet Union for "its position against interventionism" when he accepted the credentials of the new Soviet ambassador on Tuesday. He menaced the opposition, saying that he had "certain powers to dismantle the machineries of civil disobedience" and that "I will exercise to the limit the provisions of the law and the constitution to prevent turmoil."

Of course, he neglected to mention that he violated the constitution in the first place by refusing to resign before the elections. He is gambling desperately that with these threats he can scare both Washington and his determined critics into letting him carry on as usual.

His inauguration is set for Tuesday. Washington has apparently decided not to send anybody important as the American representative, but there is talk of tapping a first secretary of the U.S. Embassy on the grounds that somebody has to turn up. That would be like sending the police to do honors at a mafia funeral. Nobody has to stand in for the United States at the ceremonial reinstallation of a greedy, murderous crook.

What is Washington waiting for then? There is talk of compromise and keeping dialogue going among Filipinos, of gathering information and not appearing to intervene. That is nonsense. Things have gone much too far for that.

And whether the United States now dares to make its stand clear or continues to fudge, it is already intimately identified with whatever happens next. Jose R. Castro Jr., Manila director for the legal but militant Bayan federation of students, labor, peasants and others who consider Mrs. Aquino too cautious, demanded action to "oust the U.S.-Marcos dictatorship."

Sooner or later Mr. Marcos has to go, and the sooner the better for everybody else except perhaps the Communists — which is presumably why the Soviet ambassador congratulated him — and possibly for himself as well.

It is beginning to appear that Washington's waffle is not about the Philippines after all, nor about foreign policy, but about domestic American politics. The White House seems to be worried that it will stir up its ultra-conservative critics if it helps give Mr. Marcos a push, and that he would try to exploit them to create a divisive internal debate in the administration.

This is the worst possible reason for bumbling into a dead end that can only damage the United States around the world, especially when there is so much to be gained in terms of President Reagan's "crusade for democracy" if the United States is seen to reject tyrants. Let the superpatriots show for once that they recognize and truly care for the national interest and America's commitment to freedom. It is time for President Reagan to decide and tell them why.

The New York Times.

Keep Up the Pressure to Extract Soviet Dissidents

By Elie Wiesel

NEW YORK — Decent people everywhere are elated, celebrating the release of Anatoli Shcharansky — let us call him by his new Hebrew name, Natan — from Soviet prisons. This is understandable: It is their victory as much as his. But in our exultation we forget Vladimir Slepak, and that is both ethically regrettable and politically dangerous.

Mr. Shcharansky is a heroic Jew whose false arrest and condemnation mobilized millions of citizens and their leaders. The efforts on his behalf were unprecedented in scope and intensity. They covered scores of countries on five continents. With his wife, Avital, we knocked on every door, moved every stone, invoked every argument. Rallies were held, high officials approached, protests made, petitions signed, vigils encouraged: If ever we felt that we had done everything in our power for an imprisoned man, it was for Mr. Shcharansky.

Jews and non-Jews alike, rabbis and priests, politicians and scholars, statesmen and schoolchildren did their duty. The reward? When President Reagan added his voice to ours at the summit in Geneva, the Kremlin finally yielded to the accumulated pressure. Mr. Shcharansky is free. The pictures of his arrival in Jerusalem bring tears of joy to our eyes.

But what about Vladimir Slepak? What about Yuri Orlov and Alexander Lerner? Ida Nudel and Iosif Begun, what about them? All those brave "refuseniks" and dissidents — people condemned to live as official pariahs in fear and trembling, condemned to undergo endless ordeals while they wait for signs that are always obscure and for visas that never come — should they not be remembered, too? Many have spent years in jail, others in labor camps; still others are subjected to daily harassment, humiliation and threats. Without our support, without our *solidarity, they could not carry on.*

Let us remember: What hurts the victim most is not the cruelty of the oppressor but the silence of the bystander. Russian Jews, refuseniks and dissidents, Andrei Sakharov as well as Leonid Volvovsky — they all count on us. Do they count *for* us?

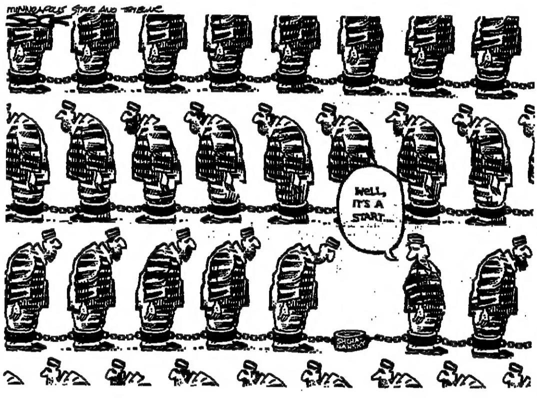
Vladimir Slepak, like Mr. Shcharansky, is someone special. He was singled out already in the early 1960s, because he was the first, or one of the first, to teach Hebrew and Jewish history, organizing courses for young Jews in search of their identity and culture; the first whose erudition and determination presented a powerful challenge to Soviet dictatorship and its policy of fear and isolation.

Many refuseniks see in him an older brother, a spiritual guide. Whenever fortunate ones, exit visa in hand, left for Israel, he accompanied them to the airport, watched them leave, then returned home. That happened again and again, month after month, year after year. Mr. Slepak always remained behind. Why? Who knows? Perhaps because he was the first to proclaim himself free, the Soviet authorities wish him to be the last to go.

Hence this appeal: Now that Mr. Shcharansky is out, let it be Mr. Slepak's turn. Let us mobilize our energies, our contacts, our professional connections, our academic links, our economic resources. Let us mobilize our passion and our anger on his behalf. And on behalf of all the others who implore us to use our freedom for the sake of theirs.

Let us be bold and imaginative. Why not organize a mass rally in Washington, for example? Would it not be right to have the civil rights march of the 1960s be followed by a human rights march in the 1980s? What is at stake is not only the freedom and the hope of the Soviet internees. Our honor is also at stake.

The writer, professor in the humanities at Boston University, published "The Jews of Silence," a firsthand report on Soviet Jewry, in 1966. He contributed this comment to The New York Times.



Shcharansky Stood Firm, but Most Victims Can't

By Charles Krauthammer

WASHINGTON — The miracle of Anatoli Shcharansky is that when he made his way across the Glienicke Bridge to freedom he was not a bitter man like Alexander Solzhenitsyn or a beaten man like Gary Powers or a broken man like many who merely survived the gulag. He arrived in good humor, in control, serene. Free he went into the gulag and free he came out. He took on the Soviet state and won. It was a stunning, miraculous triumph.

The melancholy thing about miracles, however, is their rarity. Mr. Shcharansky's uniqueness shows the potential of the human species. But uniqueness has another aspect, an aspect worth remembering amid the exhilaration and euphoria attending Mr. Shcharansky's release. The unique is, by definition, anomalous.

Mr. Shcharansky once noted that many fellow dissidents, facing trial or in labor camp, told the authorities they could be "rehabilitated." For every Shcharansky there are scores who compromise, confess and leave the gulag beaten, though blameless.

Blameless because no one has the right to judge those who lack Mr. Shcharansky's fortitude. Certainly not those of us living in the comfort of the West. ("Sometimes I ask myself how I'd stand up under torture," muses Diane Keaton in the film "Annie Hall." "You?" replies Woody Allen. "If the Gestapo took away your Bloomingdale card, you'd tell them everything.") We have no right to make judgments, but we can make assessments. And one seems to me inescapable: Force works.

Mr. Shcharansky's triumph nurtures in us the belief that freedom is an irrepressible idea that, like truth, must out. Yet the greatest modern exponent of freedom entertained no such illusion. Wrote John Stuart Mill: "It is a piece of idle sentimentality that truth, merely as truth, has any inherent power denied to error of prevailing against the dungeon and the stake." It is precisely because Mill was so aware of what the dungeon can do to truth that he sought to forbid any contest between the two. He demanded toleration because he knew that force can indeed expunge ideas and crush the spirit.

The Soviets, too, have an appreciation of what force can do to spirit. The melancholy fact is that while the Soviet state could not break Mr. Shcharansky, it did break the dissident movement that he and Yuri Orlov and Andrei Sakharov and others founded. It was so utterly crushed that by 1982 only three of the original 11 members of the Moscow Helsinki Watch remained — that is, were not in jail or in exile. At that point, with no choice and less hope, they were forced to disband. In its larger objective, the KGB succeeded.

And in even larger objectives, too. Look at Poland. It was a commonplace just five years ago to say that the Soviets faced an insoluble problem: No amount of force could ever crush the spirit of freedom that had seized an entire nation. Things had gone too far. Some accommodation had to be made with Solidarity, a force of 10 million souls, said a host of starry-eyed critics.

Polish expert Abraham Brumberg opined at the time that "if the party is to stay at the helm of the state, it can do so only by reforming itself, ruling by consent rather than diktat." Mr. Brumberg later wrote that the Poles were "a people who have already shown that they will not tolerate any more repression." Less than three weeks later General Wojciech Jaruzelski declared martial law, "suspended" Solidarity and demonstrated that, under the influence of a sufficient number of tanks, Poles could be made to tolerate an entirely new order of repression.

The history of the Soviet state is testimony to the efficacy of force — force applied with the requisite speed, cunning and ruthlessness. The dark side of the Polish story, as of the Shcharansky story, is that the state won. Force cannot break some men, but it can demoralize most. And it can destroy movements, reversing "tides of history," as romantics persist in calling them.

How exceptional is Anatoli Shcharansky? To the end he obeyed his iron law: No compromise with the KGB. His last order from the KGB was to walk straight from the airplane to the car waiting to take him to freedom. Mr. Shcharansky walked from the plane in a zig-zag.

Compare his relentless resistance to the reaction of airline passengers to their hijackers. Almost invariably the hijacked passengers are compliant, sometimes to the point of collaboration, even sympathy. (The phenomenon is sometimes called the Stockholm syndrome, as if it were a form of mental illness rather than a fully human response to terror.) Allyn Conwell, the "spokesman" for the TWA hostages in Beirut, expressed sympathy with his captors last June. Mr. Shcharansky mocked his.

When the KGB singled out Mr. Shcharansky, it picked the one in a million who distinguished himself by defiance. When hijackers take prisoners, theirs is a random sample of humanity. Mr. Shcharansky is a measure of what can be. Random samples are a measure of what is.

Washington Post Writers Group.

Eliminate All Nuclear Weapons

By Claiborne Pell

The writer, a senator from Rhode Island, is the ranking Democrat on the Senate Foreign Relations Committee.

WASHINGTON — The Reagan administration is consulting friends and allies in Europe and Asia concerning a response to Mikhail Gorbachev's sweeping arms control proposal made in January. The administration's answer is reportedly restricted to that part of the Gorbachev offer that would limit intermediate-range missiles. Regrettably, it would ignore the call for eliminating all nuclear weapons by the year 2000.

The administration would apparently like to reach some kind of agreement, however limited, before the next summit meeting and this year's U.S. congressional elections. Viewed in that context, a limited counteroffer may make sense. But by failing to engage Moscow on the issue of total nuclear disarmament, I believe the United States could be missing the opportunity of a lifetime.

President Reagan initially greeted the Gorbachev proposal by saying that he was "grateful," presumably because the Soviet Union for the first time made an offer that echoed his own call two years ago for a world free of nuclear weapons. Now that both leaders are talking the same language about the ultimate goal of the arms dialogue, it is difficult to understand why this common ground *should* be avoided — unless, of course, there is a hidden administration agenda to ensure that Mr. Reagan's goal is not achieved.

The president's goal of a nuclear-free world will not be achieved in one bold leap. Many small steps will be needed before the sprint to the finish line. The immediate focus of the Geneva negotiations should be on finding ways to constrain nuclear arms competition, increase stability and remove sources of unpredictability that threaten constraint and stability.

Only when that has been achieved can we reasonably expect both sides to grapple with the difficult questions associated with what should be the overriding goal of eliminating nuclear arms: how to verify compliance, how to bring other nuclear and the near-nuclear powers into the process, how to address the increasing importance that conventional forces assume as nuclear weapons are reduced, and how to avoid confrontations that cause weapons of any kind to be amassed in the first place.

Nevertheless, not even to mention the goal of a nuclear-free world (if only to repeat Mr. Reagan's own proposal of two years ago) would be a grievous mistake. Now that Mr. Gorbachev has agreed on the ultimate goal of arms control, how can American leaders explain to citizens, and to the rest of a world held hostage to the superpowers' arms rivalry, that we are unprepared to discuss how that goal can be achieved or at least to confirm that we will work with Moscow to eliminate all nuclear arms?

Mr. Reagan deserves commendation for rejecting advice to stand pat in the face of the Soviet proposal. And perhaps a limited counteroffer would generate real movement in the negotiations. But he needs to reaffirm his dream of a nuclear-free world and make it the reference point for the current negotiating process.

Even with that reference point, he must sooner rather than later — perhaps even to get an agreement on intermediate-range missiles — confront the "star wars" issue if we are to achieve the negotiating atmosphere necessary to move both sides toward total nuclear disarmament.

When I was in Moscow with a Senate delegation, it became clear that America would have to meet Soviet concerns about "star wars" testing and deployment if we are to obtain the deep cuts in strategic offensive arms that we want. The Kremlin is convinced that "star wars" will be an offensive "space-strike" system, and it refuses to accept the argument that "star wars" is purely defensive, just as the United States rejects the idea that the large Soviet intercontinental ballistic missiles do not constitute a first-strike capability. In short, the Russians do not trust America any more than America trusts them.

We have a window of opportunity to take the first steps toward a nuclear-free world. History should not show that we shut that window.

The New York Times.

LETTERS TO THE EDITOR

Ukrainian, Not Russian

As a person of partial Ukrainian descent, I was impressed by the fact that sportswriter Roy S. Johnson *(Feb. 18)* gave the nationality of world pole vault champion Sergei Bubka as Ukrainian rather than Russian, as is often the case. Journalists the world over frequently overlook the diverse national composition of the Soviet Union and use "Russian" as a synonym for "Soviet."

Serge Schmemann's report on the same day — "For Soviet Dissidents, Life Is Shaped by the Wrath of the State" — made no mention of Ukrainian political convicts, who include trade union activists and intellectuals. Yuri Orlov, who is featured in the report, has said that approximately half the inmates of Soviet labor camps are Ukrainians.

SERGE CIPKO.
High Wycombe, England.

A Displaced Dictator

Thank you for the back-page feature article "And in Manhattan, Learning Ropes of Social Climbing" *(Feb. 8)*, which provided more insight into the ideology of Haiti's ruler, now deposed, than all the front-page stories and editorials combined. The descriptions of people who would be "very upset" in a chic Austrian ski resort if they "did not have enough jewelry," or who feel that "the Wrong Outfit … is the worst thing in life that can happen," illustrate the lack of humanity of people like the Duvaliers. I urge further such subtle commentary in your newspaper.

S.P. KUTCHER.
Toronto.

After 28 years of despotic rule, Jean-Claude Duvalier and his entourage were conveniently supplied with a U.S. Air Force transport plane to flee to France. I wonder if the plane provided special racks for Madame Duvalier's fur coats and a large safe for a few million dollars in cash, originally U.S. economic aid to Haiti.

EDWARD E. DORSON.
Gilleleje, Denmark.

Neither the United States nor France wants to take in Mr. Duvalier. This hand-wringing is outrageous hypocrisy on the part of two traditionally generous nations, in violation of the principle of granting asylum to the persecuted, especially when the persecutors would be unable or unwilling to apply justice fairly.

GUSTAVO BARRERA.
Villars-sur-Glâne, Switzerland.

Politics in Old Vienna

Michael Gibson's article "Expanded Vienna Show Opens in Paris" *(Feb. 15)* states incorrectly that 1880 "saw the creation of the Christian Social and Social Democratic parties." In that year, while the founder of the Christian Social Party, Karl Lueger, was struggling to form a coalition of the liberal left in the Vienna City Council, Victor Adler, the "father of Austrian socialism," was still in the camp of the Pan-German nationalists. Austria's first mass parties developed out of the political changes and turmoil that came in the 1880s with extension of the franchise and the rapid ascendancy of anti-Semitism in Viennese politics and society. The Austrian Social Democratic Party was founded in 1888 and the Christian Social Party not until 1890 when Lueger, in bringing together an assortment of anti-Semitic groupings, forged an entirely different coalition from the one he had tried to form 10 years earlier.

In citing Otto Wagner as the "principal architect of the big Ringstrasse monuments," Mr. Gibson gives credit where it isn't due. It would hardly have been appreciated by an architect who is remembered precisely for structures radically at odds with the "Ringstrasse style" — the Postsparkasse, the church at Steinhof and the Stadtbahn stations, none of which are on Vienna's Ringstrasse.

KARIN BROWN.
Vienna.

Gorillas Lost a Friend

In response to "Murder in the Forest of Rwanda: The Death of Dian Fossey" (Feb. 1) by Mary Battiata:

A tragic aspect of the death in December of Dian Fossey, the heroic American primatologist, was the immediate loss to the mountain gorillas. The gorilla is an animal of great intelligence. It takes years to win its trust, and then the gorilla becomes infatuated. It will sit patiently awaiting the accepted person, having developed a strong desire to protect that person.

Dian Fossey's closest friends, the gorillas, will feel a terrible sense of loss. Once a gorilla feels this breaking off of a close relationship, it goes into a state of depression. The gorilla is a group animal. You can see despair on its face in captivity at a zoo — a fate similar to putting a human in solitary confinement for life.

We must stop the extermination of these animals before it is too late.

CHARLES M. WILLIS.
Taipei.

هكذا من الاصل

Herald INTERNATIONAL Tribune
Published With The New York Times and The Washington Post

QATAR

A SPECIAL ECONOMIC REPORT

Trade: Imports Begin To Fall

DOHA — Demands for protective tariffs make more news today than the import statistics, whose leapfrogging rises used to dominate the business pages in the boom days.

The arrival on the scene of locally produced goods is in fact one of a number of long-term changes in the Qatar market to which business partners will have to adjust. The others are the steep decline in demand for imports from a very small and diminishing population, the buyers' market conditions on the oil scene, the softening of the dollar, which has made imports more expensive just when profit margins were already being squeezed, plus new restrictive commercial legislation that was enacted in 1985.

Qatar produces oil, liquefied gas products, fertilizers, steel bars and cement in the public sector and detergents, plastic pipes and some aluminum products in the private sector. Because of Qatar's small size, these products must either depend on exportation or be protected from competing imports.

Although the fertilizer company has made a profit every year since 1981 and is producing at record rates for its customers in India and China, the cement and steel industries have suffered severely from recessions in the countries to which they export.

Local cement producers have kept a share of the market only by undercutting competition with very low prices. The Chamber of Commerce's symposium on the recession in January called for a two-pronged attack consisting of measures to limit the reduction in the domestic market coupled with protection for local industries from foreign imports.

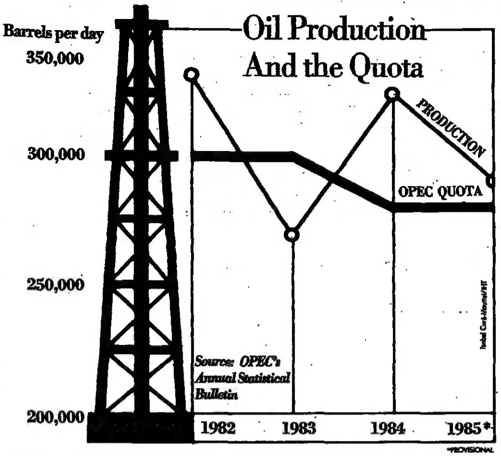
But importing is what "trade" has meant in Qatar until now; nearly 4,000 foreign exporters are represented in Qatar by 1,639 agents, according to 1984 figures, for an indigenous population of 70,000 and a declining population of expatriates. The need to discourage some types of imports at a time when imports are falling sharply and costs are rising is clearly a dilemma.

Imports fell by 25.4 percent in 1983 and by a similar percentage in 1984. Imports totaled 7.09 billion Qatari riyals ($1.95 billion) in 1982, $1.45 billion in 1983 and $1.16 billion in 1984, making 1984's figure the lowest since 1976.

In the first half of 1985, the last date for which figures are available, imports seem to have recovered slightly, to $590 million, following a large but impermanent increase in oil sales the year before. However, they are authoritatively said to have dropped off significantly in the second half of the year.

Machinery and transport equipment have borne the brunt of the downturn. They fell by 70 percent

(Continued on Next Page)



Statistics tell the story of declining oil profits, but Qatar's use of oil revenue during the boom years is visible in the infrastructure throughout the emirate: At right, Doha pupils leaving one of the capital's new schools.

The Price of Fidelity to the Curbs

By Sarah Searight

DOHA — There is a bitterness in Qatar these days over the falling price of oil, especially since the emirate has more respect for OPEC quotas than some other members. "The fall in price hurts everybody," said Sheikh Rashid Awaidah al-Thani, new managing director of Qatar's national oil company, the Qatar General Petroleum Corp. (QGPC). "But Qatar is even more vulnerable than some."

Changes in the top management of QGPC have still to make themselves felt in planning for the future. But the replacement last November of the long-serving Ali Jaidar by Sheikh Rashid, a young member of the ruling family, is likely to make the corporation more responsive to overall government policy in the future. Sheikh Rashid was previously in charge of North Field gas development.

Mr. Jaidar, a member of a trading family with wide-ranging interests throughout the Qatar economy, who had headed QGPC since its establishment in 1974, previously served as secretary-general of the Organization of Petroleum Exporting Countries and has always had strong links with the cartel. This may partly explain Qatar's obedience to its OPEC quota.

After a bumper year of oil production in 1984 (at least 400,000 barrels a day, despite an OPEC quota of 300,000 barrels a day), Qatar has stuck to its limits — down to 280,000 barrels a day in 1985, although this does not include production for domestic purposes such as feedstock for its refineries. Lower production has meant less gas for industry, however — particularly hard on the ethane-hungry petrochemical industry, which even with the recent installation of turbine extractors has never been able to operate to full capacity.

Oil accounts for 60 percent of Qatar's gross domestic product, 85 percent of government revenues and more than 90 percent of export earnings (estimated at just over $4 billion in 1984). The effects of the price drop are, therefore, immediately felt, especially in a country where government expenditure is as closely tied to revenue as it is in Qatar. Industry, initially developed as a form of diversification, is today regarded as import-substituting — still a valuable economic factor.

The effects of the price drop are immediately felt, especially in a country where government expenditure is as closely tied to revenue as it is in Qatar.

Proven oil reserves stand at about 470 million barrels, small by comparison with many OPEC members but enough for another 40 years at present production rates. The reserves are divided almost equally between onshore and offshore, but the offshore fields are given a shorter life and production may start to decline in about a decade. At the moment, crude oil is produced in more or less equal amounts from the onshore Dukhan field and from the offshore fields of Id Sharqi, Maydan Mahzam and Bul Hanine, as well as the small Bunduq field shared with Abu Dhabi.

In 1974, the Qatar government, through the newly established national oil company, took over foreign-held concessions, as well as responsibility for marketing. The original shareholders (Shell offshore and a mixture onshore of British Petroleum, Compagnie Française des Pétroles, Mobil, Exxon and Partex/Gulbenkian) have maintained their interest in Qatar's oil through service companies — Dukhan Services Co. providing technical services and management onshore and Qatar Shell Service Co. the same offshore.

Further exploration is being accelerated by a series of concessions currently on offer from the Finance and Petroleum Ministry. Standard Oil of Ohio (owned 55 percent by British Petroleum) was awarded a 25-year production-sharing concession offshore last June. Negotiations with Conoco are now being completed for an onshore concession covering the whole Qatari peninsula outside the Dukhan field.

New technology may well reveal more reserves but doubts over ground permeability in the areas on offer may mean lower potential output. The hope is to interest new companies in Qatar's oil.

For the last two years, Qatar has been self-sufficient in oil products, since a second refinery came into operation at Umm Said. An older refinery produces 12,000 barrels a day equivalent of oil products, meeting two-thirds of Qatar's requirements. The new one, built by France's Technip for $137 million, produces 50,000 barrels a day equivalent of oil products, most of which is exported, saving the national oil company about $40 million a year.

Meanwhile, the Qataris are pinning their hopes on a dialogue between OPEC and non-OPEC producers. The minister of petroleum, Sheikh Abdul-Aziz bin Khalifa al-Thani, is also minister of finance, a recognition of the crucial interdependence of these two commodities if Qatar is to maintain its affluent life-style.

Planners Turn to Gas As Oil Income Falls

By Ann Fyfe

DOHA — Doha does not have the Olympic-standard ice-skating rinks and forlorn revolving restaurants of other Gulf oil exporters with small populations. Carefulness in spending has always been Qatar's style and is not a result of the steep drop in oil revenue.

Oil revenue is the sole motor of the economy and it drives two mechanisms: Directly, oil money is spent by the government on projects, salaries and the highly developed welfare state; indirectly, the labor that has to be imported to build and to help administer the projects and the welfare state is itself a market for the goods and services out of which the Qatari private sector makes its living.

What has changed during the last two years of recession is that the imported labor has started to leave. If the exodus continues, and there is every indication that it will accelerate, then the private sector must shrink accordingly. This makes the North Field gas project the pivot of business conversation today, whether and how soon it may go ahead and give the economy a new lease on life.

For the last three financial years, Qatar's published budget has not been a reliable statement of the government's spending intentions, which, instead, have reflected more immediate changes in the oil market.

When oil income for the calendar year 1983 was estimated at only 10.71 billion Qatari riyals ($2.94 billion), compared with 15 billion riyals in 1981 and 20.17 billion riyals in 1980, the revenue side of the 1983-1984 budget was put at 8.91 billion riyals against expenditures of 15.35 billion riyals, leaving a deficit of 6.44 billion riyals. That deficit was reduced, however, to 505 million riyals, partly by better-than-expected oil returns, though still 22 percent down on the year before, and partly by the policy of spending cuts — only 12.02 billion riyals of the 15.35 billion riyals was used.

Oil income rose sharply to 16.02 billion riyals in calendar 1984, because of output greatly in excess of the quota of 280,000 barrels per day set by the Organization of Petroleum Exporting Countries. In the 1984-1985 budget, estimated revenue rose to 11.97 billion riyals against expenditures of 15.65 billion riyals, a much smaller shortfall of 3.68 billion riyals. Again, the government underspent and the deficit was turned into a small surplus.

The current fiscal year's budget estimates revenue at 19 percent down on last year's, at 9.74 billion riyals, against expenditures of 15.61 billion, and therefore projects a much larger deficit of 5.87 billion. But once again, spending has been delayed or cut back.

Contractors and suppliers no longer feel able to plan on the basis of these budgets: They complain of retendering, last-minute cancellations and payments delays of as long as six months. Retenderings and cancellations were a feature of the boom years, too, but not to the same extent as today.

New to the mid-1980s has been the outflow of population. When oil exports began in 1949, the population of Qatar was just 12,000. In 1985, according to World Health Organization figures, it was 301,000. But the total number of Qatari nationals is thought to be only 70,000; clearly, 70,000 consumers do not add up to a market big enough for the 10,652 commercial companies that were registered in Qatar by the end of 1984.

Guesses at the number of foreigners who left between the beginning of the exodus in mid-1983 and the end of 1984 vary from around 40,000 to almost twice that, and a similar number is thought to have left in 1985. The majority of those leaving were relatively low-spending construction laborers; the effects on commerce will be more serious if the trend spreads this year to middle-class consumers, as some sources predict it will.

Reflecting the outflow, rents for both residential and commercial property have fallen by up to a third, with the top end of the market suffering less than the lower end. Imports fell steeply, from 7.09 billion riyals in 1982 to 5.29 billion in 1983 and 4.23 billion in 1984. They are thought to have fallen off again in 1985 after a slight improvement in the first half of the year, when 1984's higher oil sales gave rise temporarily to more bullish sentiment. Licenses issued for new buildings slumped from 7,865 units in 1982 to 4,040 in 1983 and just 1,904 in 1984.

In January of this year, the Qatari Chamber of Commerce held a symposium on the recession. It concluded, logically, that ways of stemming the outflow of expatriates were needed. Sponsorship rules for foreigners were eased slightly in 1984 but the relaxation does not seem to have had any dramatic effect.

Companies are holding on to the hope that the go-ahead will be given soon to Qatar's most important project, the $6-billion North Field gas exploration. Qatar General Petroleum Corp.'s chairman announced on February 19 that it had started talks with Bechtel, of the United States, one of the low bidders out of the four international consortiums involved, on their outlined plans. The next low bidder, Foster Wheeler, of Britain, has been invited for talks. Qatar has been delaying the final, liquefied natural gas stage of the project until contracts have been signed with the ultimate purchasers. The earlier stages, producing gas for domestic use, were thought to be more urgent but the gloom of the downward spiral in oil prices raises doubts over even this part of the plan.

Without a start this year on the North Field, extensive layoffs will be inevitable for many companies. Few other large-scale contracts are expected to get under way in the coming year and even the much-retendered 1,500-megawatt, $570-million Wusail power and desalination plant is now considered to be dead. Plans for a new naval base exist but action on this project is thought to be for the distant future;

(Continued on Next Page)

State Funding Is Key for Builders

By Robert Bailey

DOHA — There is little construction activity in the Gulf that does not rely, directly or indirectly, on the stimulus of government spending for its well-being. And Qatar is no exception.

Thus, the constraints placed on the state budget by tumbling prices for hydrocarbons in the last two years have brought a delay in nearly all capital spending on new projects. The exodus of expatriate managers and labor from Qatar, reflected in near-empty hotels in Doha, has emphasized the slump that has taken hold of nearly all aspects of business activity.

Recent statistics show that Qatar's imports of construction materials in the last quarter of 1985 fell by more than 20 percent.

The country's budget, announced last April, showed a spending target of just more than 17 billion Qatari riyals ($4.67 billion), involving a deficit of about $2 billion, for a range of civil and military infrastructure projects.

In reality, deficits are anathema to Qatar's highly cautious ruler, Sheikh Khalifa bin Hamad al-Thani. This attitude has resulted in a dormant economy since the world oil price decline and has been underlined by a clampdown on the start-up of new developments as well as extended delays in payments for work on projects already in hand.

However, the tight hand on the state purse may have to be eased soon and the reality of a major deficit accepted.

Spot prices for Arabian crude oil have declined more than 17 percent since Qatar's last budget.

If the threats of an international oil price war materialize, then little if any activity on new projects can be expected until the Finance Ministry can assess the state's revenue expectations.

However, all is not gloomy. Qatar could draw on its very substantial foreign reserves. They are variously estimated to be between $8 billion and $14 billion. Spending in the last two years has been limited and has been made in small doses to sustain and encourage local contractors.

Larger international companies, meanwhile, are waiting out increasingly lengthy start-up timetables for projects such as the Wusail 1,500-megawatt power and desalination complex, Qatar's first airbase and industrial projects that include exploitation of the giant North Field gas reserves.

It has been an expensive business for those foreign companies willing to do so to hang on while the government makes up its mind. South Korea's Hyundai Engineering and Construction Co. Ltd. is reported to have moved its office from a comfortable villa to a construction camp north of Doha in an effort to reduce costs.

Twenty-eight companies competing for contracts for the Wusail power project's first phase have been on tenterhooks for over two years in expectation of a decision on the $575-million plan.

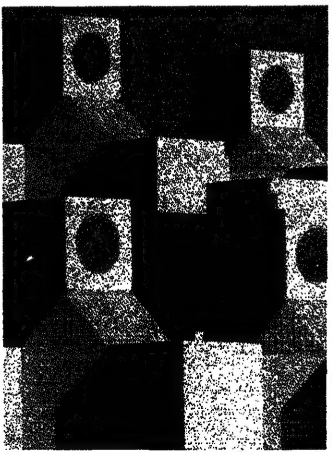
The project could have widespread repercussions on the economy. Some observers believe it could have a bigger impact in the short term on construction business than the North Field project and create a demand for 5,000 workers. However, reduced estimates for electricity demand indicate a more pessimistic prognosis for the project — either a postponement or a cancellation.

The long-standing plan to build an airbase in the middle of the country for the 14 Mirage F-1 fighters that were supplied by France in 1984 seems to have been pushed even further into the background by the budget squeeze.

Last year the Qataris reviewed plans, prepared by the French firm Sofravia, for the airbase after unspecified problems were found with the drawings. The first phase of the project, estimated to cost $80 million, involves the building of runways and roads. A second phase would include the construction of housing, hospitals and other infrastructure. The final cost is estimated at $550 million.

However, there is apparently no urgency to complete the project.

(Continued on Next Page)



The modernistic roofline of the University of Qatar.

Explore

If you're considering business in the Arab world, talk to The British Bank of the Middle East first.

As part of the HongKongBank group, we have over a century's international banking experience in opening up new markets.

Our Business Profiles on Arab countries, which come as a direct result of intimate market knowledge, are only one example of the many specialist services that we provide.

Today, with more than 1200 offices in 55 countries, concentrated in Asia, the Middle East, Europe and the Americas, the HongKongBank group gives you access to a complete range of financial services. The group's presence also extends to Saudi Arabia and Egypt, through its associate banks, The Saudi British Bank and HongKong Egyptian Bank S.A.E.

For a copy of the Business Profile that interests you, write to us at Box 64 G.P.O. Hong Kong, or any branch of The British Bank of the Middle East.

The British Bank of the Middle East

Bahrain Djibouti India Jordan
Lebanon Oman Qatar Switzerland
United Arab Emirates United Kingdom

member HongkongBank group

London Branches: Falcon House, 18C Curzon Street, London W1Y 8AA, Tel: 01-493-8331/7 • 195 Brompton Road, London SW3 1LZ, Tel: 01-581-0321/6

Development of Gas Reserves Still a Difficult Goal

By Sarah Searight

DOHA — The doubts that have hovered over the development of Qatar's vast North Field gas reserves may finally be put to rest this year, as forecasts indicate major increases in consumption. Local demand for the gas is expected to reach a critical point in 1988, mainly to meet the requirements of local industry, and the first, domestic phase of the project will not begin producing until 1989.

The North Field gas reserves, estimated to be at least 3 trillion cubic feet, were discovered several years ago. The reserves, buried in the Khuff formation, are the largest known concentration of gas in the world. The Khuff covers a vast area, running under Saudi Arabia, Abu Dhabi and Qatar. In Qatar it is relatively shallow and easily penetrated.

The development of these reserves has always been envisaged as two coordinated gas production programs. The smaller one would be as feedstock for domestic consumption, the other as a liquefied natural gas (LNG) system and terminal for export.

An intermediate program has been added since cuts in Gulf oil production affected output of industries and facilities that run on associated gas. It would pipe Qatari gas into a Gulf gas grid. Overall costs of development and LNG production would be around $6 billion, with the domestic phase costing around $1.5 billion.

In the first and second phases, Qatar General Petroleum Corp., the national oil company known as QGPC, would develop the field; in the third phase, foreign partners would provide finance, technology and markets for the LNG project.

At the time of discovery, the market for LNG was booming and the Qataris believed that they were in a position to strike a good bargain for a plan to export the gas to the Far East. But the rise in oil prices led to dramatic conservation measures as well as a switch to other fuels, notably to nuclear fuel, especially in Japan. The Qataris have found it extremely difficult to attract partners for their LNG project since a market commitment is an essential precondition for any participation.

In 1984, British Petroleum (BP) and Compagnie Française des Pétroles (CFP-Total) were each finally persuaded to take up a 7.5-percent share in the venture. They have since been joined by Marubeni Corp. with another 7.5 percent share. All three are said to have wanted a larger share to ease the marketing of the gas.

QGPC would like to find one more participant. Several Japanese consortiums have inquired about the project. Japan, however, is well supplied with gas until the mid-1990s, and the Qataris have always insisted that any Japanese partner be restricted to the Japanese market.

Meanwhile, QGPC and its partners have set up a company, Qaligas, to oversee the LNG project.

The Qataris are pinning hopes on the South Koreans for their share of the gas. Sheikh Rashid Awaidah al-Thani, the new managing director of QGPC who has been involved in the North Field project from the outset, was leading the first gas delegation to South Korea this month to put pressure on its leading industrialists. The Koreans have just committed themselves to buying 2 million tons of LNG from Indonesia, but Sheikh Rashid believes that they will soon need at least another 2 million.

Caution is inevitably the hallmark of LNG projects. They are extremely capital-intensive and take a long time to build. From the domestic point of view, however, it is time to take the plunge. Qatar's industrial sector, based at Umm Said south of Doha and consisting of steel, petrochemical and fertilizer plants, is now run on associated gas from the onshore and offshore oilfields — which are vulnerable to cuts in oil production — topped up with nonassociated gas from an onshore Khuff reservoir beneath the Dukhan oilfield.

Pressure problems are likely to occur in this part of the Khuff formation by 1988; indeed, a secondary purpose to the domestic development will be to reinject some North Field gas into the Khuff so that it can remain a viable emergency source of gas. From 1988, Umm Said's industries will have to supplement their gas with fuel oil or shut down for longer than usual maintenance periods.

The domestic plan involves most of the field development, as well as the bringing on shore of 800 million cubic feet a day of gas. Upheavals in the QGPC management, however, have not helped decisiveness.

Trade Patterns Begin to Change as Imports Drop

(Continued From Previous Page)

between 1982 and 1984, from $960 million to $410 million, but they are still the largest single category of imports, accounting for 50 percent of the total in 1982, 44 percent in 1983 and 35 percent in 1984. Manufactured goods did not fare much better, tumbling by almost half between 1982 and 1984, from $390 million to $212 million.

These figures record the cost of imports and, since the purchasing power of the dollar, to which the Qatari riyal is linked, rose steeply until September 1985, the drop in the volume of imports is not as great as the drop in value. Cheaper prices only compensated for a shrinking market. The post-September softening of the dollar is gloomy for Qatar's importers. Qatar's largest single trading partner is Japan, which bought 50 percent of Qatar's oil exports — in dollars — in 1984 and supplied nearly 20 percent of Qatar's imports — in yen. A yen that is strengthening against the dollar means higher prices in the marketplace, as does a strengthening Deutsche mark, French franc and lira. The European Community takes around 30 percent of Qatar's oil exports and supplies around 40 percent of total imports each year. About 75 percent of the 4,000 exporters represented by Qatar agents are West European. Only 11 percent of exports, and the same percentage of imports into Qatar, are American.

The terms of trade have thus undergone a double change in favor of Qatar's partners and against Qatar. Not only are oil exports dependent by 50 percent on Japan and 80 percent on Japan and the EC, whose leverage over the prices they will pay is, therefore, very strong, but the dollar-linked Qatari riyal now buys fewer of the nearly 90 percent of imports that come from nondollar sources.

Qatar's balance of payments benefited in 1984 from the fall in imports and the large increase in oil sales that year, when Qatar exceeded its quota for the Organization of Petroleum Exporting Countries. The resulting surplus in 1984 was much larger than in the previous two years. With total exports at $4.51 billion, according to the International Monetary Fund, and imports at $1.16 billion, the surplus was $3.35 billion against the previous year's $2.16 billion.

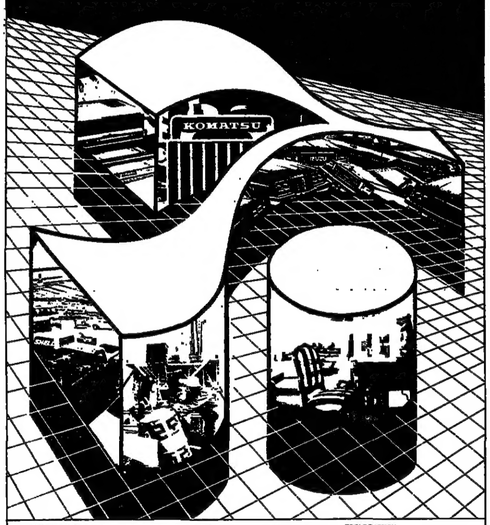
During 1985, however, oil exports are thought to have stayed closer to the old OPEC quota of 280,000 barrels per day and to have fetched a lower price. As a result, the 1985 trade balance is unlikely to have been so rosy.

Since 1985, legislation has been in force restricting all commercial, industrial and contracting activities to companies that are wholly owned by Qataris, except in the case of very large or very specialized projects where foreign expertise is necessary in the public interest. The foreign shareholding in such exceptional projects must be no more than 49 percent.

At the end of 1984, before the law came into force, about 1,600 out of Qatar's total of 10,652 companies were of mixed Qatari and foreign ownership or were foreign companies or branches. Out of the total of 6,663 businessmen trading as individuals, 1,700 were foreign.

—ANN FYFE

this is ... JAIDAH



VEHICLES DIVISION
Chevrolet, Buick, Oldsmobile, Nissan Diesel, Isuzu.
Tel. 428161

INDUSTRIAL CLEANING DIVISION
With Halliburton Export se
Tel: 871111

OIL INDUSTRY SUPPLIES AND SERVICE DIVISION
[illegible]
Tel: 416362

BUSINESS COMMUNICATIONS DIVISION
Chubb Alarms, Tektronix, Javelin CCTV, General Electric, Racal Antennas, Momotech, Advance Computers, Enjune Multitone Stentor A-S
Tel: 325851

LUBRICANTS DIVISION
Shell, Colas, Octel and CRC Chemicals.
Tel: 441848

HEAVY DUTY EQUIPMENT DIVISION
Komatsu, Lincoln Welding, FMC Link Belt, Unic, Cummins Ingersoll Rand
Tel: 810000

TOOLS DIVISION
Rigid, Proto, Ingersoll Rand, Clemco, Wiwa, Harris, Osborn.
Tel: 426161

FURNITURE DIVISION
Showroom and turn-key projects
Tel: 328458

TENDERS DIVISION
Government and Oil Companies tenders
Tel: 426161

SPARE PARTS AND WORKSHOPS
Service vehicles and equipment.
Tel: 810000

Jaidah Motors & Trading Company
Tlx: 4219 JAIDAH DH P.O. Box: 150 Doha-Qatar

American Express. Asbestos Cement Ltd. Audi. All Good Continental Ltd. Al Zamil (Saudi). Arrow Construction Equipment Ltd. Band — It International Inc. Baranite Barduct Ltd. Berger. Jenson & Nicholson Ltd. Benson Plotters. BKW — Middle East. BRC Weldmesh (Gulf) Ltd. British Sissal Kraft Ltd. Bruel & Kjear. Buiscar B.V.C Barton Conduits. BVC Ltd. Cannon Industries Ltd. Casa International. Chloride International Marketing. Cose Made in Italy. Crawley (Refrigeration) Ltd. Crittal Construction Ltd. Crittal Windows Ltd. CMP Glands. Crabtree. Cuprinol. Canfi Corp. Delta Index Ltd. Decca Marine Radar. Diebold Inc. Disa Electronik. Dunlop Belting Group. Dunlop Ltd. Dynapac Eichoff — Werke Gmbh Emide Metallindustie. Expanded Metal Co., Expandite Economic Laboratories. Evode. Egatube. Facit A B Friedrich Airconditioning & Refrigeration Co. GEX X-Pelair. Henke Maschinenfabrik AG. Hoover Ltd. IMI Santon Ltd. Ing. C. Olivetti & Spa. Iwai Ceramics Co., Ltd. James Halstead Ltd. Josiah Parks & Sons Ltd. Kingson International Inc. Knoll International. Kohler International. Lansing Ltd. Liebherr. Lindner. L.M. Ericsson Telematerial. Lyte Industries Ltd. La Germania Lanmar. Mirrlees Blackstone (Stockport) Ltd. Mitsui & Co., Ltd. N.V. Philips Gloeilampenfabrikwn. Orient General Industries Ltd. Otis Elevators Co. Peris Andreu S.A. Pirelli General Cable. Porsche. Putzmeister. Qualcast Fleetway Ltd. Racal Milgo. Ramset Fastners. Remington Consumer Products. RFA Liferafts. Ruberoid Building Products. Redring Electric Ltd. RSI India Ltd. Texas Instruments. Thorn Domestic Appliances. Trane Airconditioning. Tokyu Cranes. Virax S.A. Xerox Yorkshire Imperial. American Express. Asbestos Cement Ltd. Audi.

American Express. Asbestos Cement Ltd. Audi. All Good Continental Ltd. Al Zamil (Saudi). Arrow Construction Equipment Ltd. Band — It International Inc. Baranite Barduct Ltd. Berger. Jenson & Nicholson Ltd. Benson Plotters. BKW — Middle East. BRC Weldmesh (Gulf) Ltd. British Sissal Kraft Ltd. Bruel & Kjear. Buiscar B.V.C Barton Conduits. BVC Ltd. Cannon Industries Ltd. Casa International. Chloride International Marketing. Cose Made in Italy. Crawley (Refrigeration) Ltd. Crittal Construction Ltd. Crittal Windows Ltd. CMP Glands. Crabtree. Cuprinol. Canfi Corp. Delta Index Ltd. Decca Marine Radar. Diebold Inc. Disa Electronik. Dunlop Belting Group. Dunlop Ltd. Dynapac Eichoff — Werke Gmbh Emide Metallindustie. Expanded Metal Co., Expandite Economic Laboratories. Evode. Egatube. Facit A B Friedrich Airconditioning & Refrigeration Co. GEX X-Pelair. Henke Maschinenfabrik AG. Hoover Ltd. IMI Santon Ltd. Ing. C. Olivetti & Spa. Iwai Ceramics Co., Ltd. James Halstead Ltd. Josiah Parks & Sons Ltd. Kingson International Inc. Knoll International. Kohler International. Lansing Ltd. Liebherr. Lindner. L.M. Ericsson Telematerial. Lyte Industries Ltd. La Germania Lanmar. Mirrlees Blackstone (Stockport) Ltd. Mitsui & Co., Ltd. N.V. Philips Gloeilampenfabrikwn. Orient General Industries Ltd. Otis Elevators Co. Peris Andreu S.A. Pirelli General Cable. Porsche. Putzmeister. Qualcast Fleetway Ltd. Racal Milgo. Ramset Fastners. Remington Consumer Products. RFA Liferafts. Ruberoid Building Products. Redring Electric Ltd. RSI India Ltd. Texas Instruments. Thorn Domestic Appliances. Trane Airconditioning. Tokyu Cranes. Virax S.A. Xerox Yorkshire Imperial.

KASSEM DARWISH FAKHROO & SONS
P.O. Box 350 DOHA Tel: 422781 Telex: 4298 TRADAR DH

Funding by the State Is Key To Construction Industry

(Continued From Previous Page)

Hardened shelters for the fighters have been provided in the interim at Doha international airport.

Contractors also are awaiting the award by the Emir's Technical Office of a $55-million contract to build a three-building science faculty for women at Qatar University. Companies from Europe, the Far East and Turkey as well as the local Midmac Contracting firm have prequalified. Some medium-sized work has been approved, including a $14-million sewage treatment plant at Doha West. The mechanical and electrical contract, worth $6.1 million, was won for this by the Ebara Corporation of Japan.

Essential maintenance work as well as limited extension of existing utilities can be expected to continue to be authorized this year depending on how far the government is prepared to fund a budget deficit.

The biggest question mark lies over the North Field gas project. Bechtel, the U.S. construction firm, and Foster Wheeler, of Britain, have come in as low bidders to carry out detailed design work for the development of the world's biggest offshore gas field. Talks are being held with these two companies, and a decision on the project is expected in April. The construction of platforms, pipelines and other support facilities would be the next major step in the multibillion-dollar project.

Preliminary work for the North Field project cannot be put off too much longer without repercussions on Qatar's industries. At present they depend on gas supplies from the depleting onshore section of the Khuff reservoir. Extended delay will also adversely affect industry's expansion plans and existing production levels.

Qatar Fertilizer Company, for example, has outlined plans for a third plant at Umm Said, costing $150 million to produce 1,500 tons a day of ammonia using North Field gas.

The entire project was conceived in a more optimistic business climate than now exists among hydrocarbons producers in the region. But if confidence is restored, Qatar offers plenty of opportunity for smaller-scale developments, such as government buildings and schools.

A contract award is pending for a new passport and immigration building. Leisure and recreation complexes are also out to tender.

Construction of a $22-million sports club at Rayyan is due to begin this year. The club is one of six planned to provide amenities, including competition-size swimming pools. A study is under way for an inland lake and park for Doha's West Bay area. Designs for three amusement parks and zoos have also been completed.

The fate of these plans as well as of the big projects is difficult to predict.

At least, there is no shortage of ideas. At the end of 1985, the Netherlands' Ballast-Nedam Groep NV was reported to have submitted proposals for a causeway link between Bahrain and Qatar.

But ultimately, all of Qatar's projects will depend on the availability of financing.

QAPCO

QATAR PETROCHEMICAL COMPANY LTD.

"QAPCO"

Producers of:

Ethylene, Polyethylene and Solid Sulphur

Main Office
Telephone 321105
P.O. Box 756
Doha-QATAR

Complex
Telephone 770111
Telex 4871 QAPS DH
Umm-Said-QATAR

Qatar Ministry of Information

Dhows, traditional fishing craft, at Doha.

A Shift to Gas as Oil Price Falls

(Continued From Previous Page)

otherwise, only road improvements and some government buildings are available for contractors.

Some successful diversification away from crude oil sales has taken place, notably the profitable Qatar Fertilizer Company, which sells ammonia and urea to India, China and other markets, especially in the Far East.

Two fundamental problems confront all industrialization ventures: First, the large public-sector projects that depend on associated gas as feedstock are naturally dependent on the level of oil production and are thus producing at rates far below capacity; second, Qatar's distinguishing characteristic is its smallness. Locally produced manufactures have either to compete with foreign goods produced more cheaply on a larger scale or they must depend on export markets. The loss-making Qatar Steel Company, for example, exports more than 90 percent of its output to neighboring markets such as Saudi Arabia and the United Arab Emirates. But those markets, too, are in a state of slump.

Private-sector manufacturers want import tariffs to protect their products; this came out of the Chamber of Commerce's January symposium and is a widespread trend in all the Gulf Cooperation Council states — Kuwait, Saudi Arabia, Bahrain, Qatar, the United Arab Emirates and Oman. At present, some steel products competing with Qatar's industry are subject to a 20-percent import duty and local products, in theory, enjoy a 5-percent preference in government purchases. But if the principle of import duties does gain acceptance, exporters to Qatar will be faced with the most radical change to date in the nature of their market.

Although it is the foreign population which has been affected most immediately by the slump in oil prices, the Qatari merchant stratum suffers through declining rents and through falling sales by their companies.

It is worth repeating, however, that the dominant feature of Qatar is its smallness. If the indigenous Qatari population is 70,000, then once the non-economically active elements have been subtracted, including women, who are not part of the work force, the actual number of Qataris who require an income cannot be much higher than about 15,000.

Government spending in Qatar, as in the other Gulf Cooperation Council states, is a sort of sandwich, with two outer layers of relatively invariable thickness — defense spending and welfare — and with outlays on contracts as the filling. Both defense spending and welfare are politically untouchable, even in today's oil-market conditions. The filling can be thicker or thinner according to the terms of trade. When it was at its thickest, Qatar's merchants grew accustomed to a marketplace of a size that is not fully sustainable now that the filling is becoming thinner. But as long as oil continues to fetch almost any price, keeping 15,000 citizens in a style at least close to that to which they are accustomed can hardly be impossible. The only question is, how close?

Gross Domestic Product
(in millions of Qatari Riyals)

1980	28,631
1981	31,527
1982	27,652
1983	23,542
1984	12,377

Source: Central Statistical Organization

DOHA - QATAR

Service.

The single most important aspect of the hospitality business.

And *people* make the difference.

RAMADA RENAISSANCE HOTEL DOHA

P.O. Box 1768, Doha-Qatar
Tel.: 321321 Telex: 4664 RAMADA DH

PROGRESS THROUGH COOPERATION

Your Business Partners in Qatar

Trading, Contracting, Industry, Services and Sponsorship.

TEYSEER GROUP OF COMPANIES
P.O. Box: 1556
DOHA-QATAR
Tel.: 321883. 428045
Telex: 4292 YOUSR DH

[illegible]

[illegible]

Self-Sufficiency Exacts a High Price In Food Production

By Sarah Searight

DOHA — The Iran-Iraq war has highlighted for Gulf countries the vulnerability of their food supplies in much the same way as that of oil supplies for distant consumers. Food self-sufficiency has become a highly emotive issue, although in these less affluent days it is more often thought of in terms of strategic food reserves.

Farming is also seen as providing valuable home-grown substitutes in a country such as Qatar, where food imports cost $203 million in 1984. That year, domestic food production was worth around $25 million.

Although Qatar's expatriate population is no longer growing, the local population is expanding by more than 3 percent a year. A survey conducted on behalf of the government by the Arab Organization for Agricultural Development showed that vegetable demand will reach 47,000 tons in the year 2000, an increase of 74 percent over 1983 consumption. Fruit demand will reach 42,000 tons, red meat 27,000 tons, poultry 25,000 tons and dairy products 34,000 tons.

Throughout the Gulf, governments are beginning to recognize that growing one's own food is an expensive ambition.

Qatar is one of the least fertile countries in Arabia. Only 3 percent of the peninsula is considered worth cultivating. Nevertheless, encouraging farming with subsidies and materials has been one way of spreading oil largesse through the population. Subsidies cover fertilizers, machinery, some kinds of fodder, veterinary services and seed.

There are now around 800 farms in Qatar, covering an area of about 18,000 hectares (44,479 acres). About a third of these farms are more like rural retreats; their owners are as concerned with the visual impact of their horticulture as with their produce and there is plenty of room for increased production. Meanwhile, the 500 active farms are now supplying the country with most of its vegetables — except in the summer — and an increasing amount of its meat and dairy needs.

The government has become more particular about which farming development it subsidizes — a sign of the harder times. A government committee for farm land issues permits for establishing or extending farms, hoping thereby at least to keep some control of expansion.

Depletion of ground water aquifers and a growing realization of the economics of desalination means that the Ministry of Agriculture, through its network of experimental farms and advisers, is trying to develop less thirsty crops.

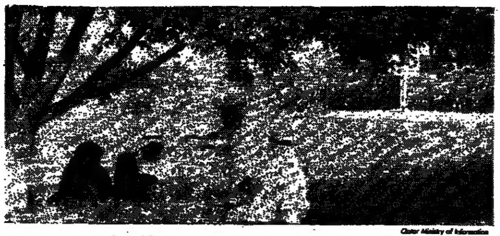
Alfalfa, for instance, a particularly thirsty although salt-tolerant fodder crop, is giving way to special varieties of barley, such as al-Khaleeji (meaning Gulf). It was developed in Mexico and not only likes brackish water but is also not too tall. This is an asset in Qatar, where strong summer winds are a problem for farmers. Another possible crop is millet.

Another solution is to use treated sewage water for fodder, which a fodder farm on the outskirts of Doha is doing.

The government has four experimental farms. Rodat al-Faras in the north is concentrating on a tree nursery and is trying to develop good windbreak species, such as the fast-growing casuarina, and to persuade farmers to grow these kinds of trees before venturing into crops. It is also proud of its production of Berlet grapes.

Another farm at Harama specializes in barley and wheat. Otoriya farm is developing vegetables, mainly in cooled greenhouses, and even strawberries; a center for agricultural services has also been recently established at nearby Shahniya. And in Wadi-al-Iraiq in the southwest there is an experiment using artesian water for date cultivation. (Enthusiasts say that powdered date stones provide a good protein supplement.)

A big investor in farming development throughout the Arabian peninsula is the Arabian Livestock Development Company, a semi-private organization based in Damascus. Together with the government and private individuals in Qatar, it has invested in a large dairy farm with 1,200 milking cows and 1,000 hectares of pasture. Astonishing as it may seem to anyone who has driven or flown over Qatar's apparently barren wastes, there are now around 5,000 cows on the peninsula.



Qatar Ministry of Information

A Qatari family in one of Doha's heavily watered parks.

Limiting the Greening of the Desert

DOHA — "Greening the desert" was the dream phrase behind the gardens and farms of the boom decade of high oil prices. Now, a note of sober reality has crept in, most apparent in Qatar, which was always a more cautious spender than some of its neighbors. At the heart of the matter, now, as centuries ago, is water. Oil wealth at first made all things possible: the oil fueled and financed expensive desalination plants as well as the pumps that the government handed out to private individuals to encourage them to become farmers.

Qatar, even by Arabian standards, was poorly watered, hence its relative isolation from the mainstream of Gulf affairs over the centuries — even the wells were not worth fighting over. Most of the country now has access to desalinated drinking water, although some of the smaller settlements in the north and south of the peninsula collect theirs from government tankers, which fill up at the distinctive water storage tanks that ring the city of Doha. The main desalination plants are at Ras Abu Aboud, which produces 12.5 million gallons a day, and at Ras Abu Fontas, which produces around 37 million gallons a day; current consumption is around 32 million gallons a day. Few Qataris depend on ground water for drinking but about 2.5 million gallons a day of well water is also fed into the system. Around Doha, where this water has always tended to be brackish, it is blended with the desalinated water. On Qatar's west coast there have been experiments with reverse-osmosis desalination, which is more economical than distillation. The result is not as salt-free as the distillation process but it makes the water usable for agriculture.

Desalination: Growth In Daily Capacity

(in millions of gallons)

1979	28.0
1980	28.0
1981	28.0
1982	32.5
1983	40.0
1984	58.0

Source: Qatari Water Department

Foreigners and businesses have to pay for their water but Qataris get it free, a means of sharing the country's oil wealth, which, in these tougher times, is coming to be seen as encouraging waste of precious resources.

The same problem arises with electricity, which is also supplied free to Qataris. At peak demand in summer months, consumption is around 745 megawatts, sinking as low as 145 megawatts in February. Ras Abu Aboud supplies 210 megawatts of the total, Ras Abu Fontas, 618 megawatts. But 1988 is regarded as the crunch year, with an anticipated peak demand of 1,080 megawatts and currently around 1,200 megawatts installed. There is little margin for breakdowns.

Hence the debate over the huge Wusail power and desalination plant. Wusail has been on the drawing board for the last two years. It is planned around the development of North Field gas, which it would use to fuel production of 600 megawatts of electricity and desalinate 40 million gallons a day of seawater in a first phase, and eventually 1,500 megawatts and 100 million gallons a day.

With an eye on falling oil revenue, the Qatar government has asked interested companies several times to resubmit their offers and, judging by the budget allocation, Wusail has been quietly shelved for the time being. Electricity officials are recalculating the country's needs, and pressure is growing for some kind of metering for domestic Qatari consumers. Less extravagance could put off a possible shortfall until the development of the North Field is under way.

Meanwhile, a curious problem has arisen in Doha and its suburbs — too much water. This is due partly to lavish watering of city gardens and partly to an overflow from septic tanks and pipelines laid too hastily in the boom years. In certain areas of the city, the ground water has risen to dangerous levels. The water also seeps into the foundations of buildings, reducing their lifespan. The problem becomes immediately visible in low-lying areas as soon as it rains; large puddles quickly form and remain for days.

A Japanese team from the Japan International Cooperation Agency has been in Doha for the last three months preparing a report on preventive measures. The measures are likely to involve several years' work, relaying and renewing pipes, doing away with septic tanks and controlling the irrigation of gardens. Some of the water is already being pumped out, treated and used to irrigate fields that provide animal fodder.

Yet, elsewhere in Qatar, routine checks in 1984-1985 showed lower water levels, while saline compounds were drastically high. There has been very little rain for the past three years, and indiscriminate pumping has taken its toll. Qatari officials are beginning to talk about a limit to the greenery but it is politically difficult anywhere in the Gulf to curtail the largesse behind the pumping.

— SARAH SEARIGHT

Lower Profits Force Banks To Consider Diversification

By Ann Fyfe

DOHA — A bank manager's seat in Doha is a more comfortable one than his counterpart's in the larger Gulf states. Since it is not overbanked, Qatar has escaped the worst traumas of its neighbors.

This is not to say, however, that the picture is entirely rosy.

After starting to report lower profits in 1984, some Doha banks will return worse figures for 1985 and no one expects 1986 to be any better. Their bread and butter is trade finance, and trade has fallen substantially in each of the last three years.

Until now, banks in Qatar have had little incentive to enter the more sophisticated areas of capital-market activities, but now out of necessity some are beginning to look at ways to diversify.

Until independence in 1971, Qatar had only three British banks plus its own Qatar National Bank and a branch of the Arab Bank. During the boom days of the 1970s, two new locally owned Qatari banks and six foreign banks opened; two more local Qatari banks have opened in the not-so-booming 1980s, making a total of 15. Of these, only the Qatar National Bank has a branch network of any size.

Consolidated balance sheet footings have risen steadily from 10.96 billion Qatari riyals ($3.01 billion) at the end of 1982 to $3.14 billion at the end of 1983, $3.66 billion at the end of 1984 and $3.93 billion at the end of September 1985.

Lending to the private sector, on the other hand, is fluctuating. After having fallen at the end of 1984 to $1.49 billion, compared with $1.67 billion 12 months previously, lending recovered in the second half of 1985 to reach $1.74 billion. The upswing, however, may only be a short-lived reflection of optimism following 1984's improved oil output.

Over half of this credit is used, furthermore, to finance trade and construction — $890 million out of September 1985's total $1.67 billion — and both areas have been hit by the government's spending cuts.

Imports fell in value from $1.95 billion in the peak year of 1982 to $1.16 billion in 1984. And despite an atypical leveling off in the first half of 1985, the downward path was resumed in the second half of the year.

Trade finance fell accordingly by 12 percent in 1984 to $610 million from $690 million a year before. Lending to construction was still growing in 1984, reaching $242.4 million against $222.6 million a year earlier. It continued to grow in the first half of 1985 to $254.9 million in July, but then started to decline in the third quarter; many construction companies have been hit by delayed payments.

Because of the shrinking level of activity in the economy, profits for 1985 are likely to show a deterioration. The results for 1984 showed Qatar National Bank's profits up 8 percent over 1983 and Commercial Bank of Qatar's profits up 20 percent after a fall in 1983.

However, the Doha Bank, established in 1979, had already reported a 14-percent drop in profits in 1983 and another 20-percent drop in 1984. Doha Bank also raised its provision for bad debts by 300 percent in 1984, a trend that is expected to spread.

Qatar's newest bank, al-Ahli, opened in June 1984 amid some skepticism since any new bank in Qatar has to break into a very small market where top-quality clients already have long-established relationships.

Qatar Islamic Bank, which opened in mid-1983, benefits from having a recognizable, if small, niche among clients who prefer not to deal with *ribbawi*, or interest-dealing, institutions, and it has won deposits from some of the latter.

Both the 50-percent state-owned Qatar National Bank and the three other Qatari-owned banks benefit from government deposits, although these amount to less than 4 percent of total deposits, and from a general preference of clients to deal with locally owned banks.

The foreign banks benefit from their international prestige and from the desire of depositors to hold a proportion of their deposits in international currencies. Deposits as a whole rose by more than 21 percent during 1984, from $2.17 billion at the end of 1983 to $2.63 billion, and to $2.77 billion in September 1985.

Starting in March, the Qatar Monetary Agency is to impose for the first time a corset on deposits. An average of 3 percent (depending on maturity) will have to be lodged by each bank with the agency under this new departure. When dollar interest rates were at their height, deposits in foreign currencies neared the total of those in the local riyal. In September 1985, private deposits in foreign currencies were $1.23 billion against $1.51 billion in the riyal. This has led occasionally to shortages of riyals, but the Qatar Monetary Agency does not penalize foreign-currency deposits in particular.

Nor does it penalize banks' foreign assets. Commercial banks' foreign assets grew by 63 percent during 1984 to $1.73 billion, or 47.2 percent of total assets, compared with $1.06 billion, or 33.7 percent of total assets, at the end of 1983.

Alone among the Gulf's central banking authorities, the QMA has not taken steps to prevent placements with offshore banking units in Bahrain, perhaps because Qatar has escaped the overbanking and very severe competition prevalent among its neighbors. Qatari money has not become sensitive to prices to the same extreme degree.

The monetary agency does impose a ceiling of 4.5 percent to 7 percent on rates that banks can offer depositors, a level that is felt to be low and to encourage some capital outflows. Local banks have breached this ceiling and have been punished for doing so.

Rates chargeable on loans are also subject to a maximum of 7 percent to 9.5 percent. Both ceilings have not been changed since the late 1970s. The relatively wide spread has given Qatar's banks little impetus until recently to diversify.

CONTRIBUTORS

ROBERT BAILEY is the special reports editor of the Middle East Economic Digest, which is published in London.

ANN FYFE is a journalist based in Dubai.

SARAH SEARIGHT is a London-based journalist who specializes in Middle East affairs.

ADVERTISEMENT

ADVERTISEMENT

THIS IS AN ANNOUNCEMENT BY THE MINISTRY OF INFORMATION, QATAR.

QATAR A MAJOR GAS PRODUCER

THE State of Qatar is endowed with an abundance of oil and gas reserves. This wealth of natural resources has provided the State with a major source of income and a platform on which to build a modern, prosperous country through a process of economic and social development. To achieve this development it was essential that the country's natural resources should be fully under the control of the people of Qatar. So in 1974 an Emiri decree was issued placing the country's oil and gas wealth under national control.

Responsibility for all aspects of the oil and gas industries, including exploration, field development, production and marketing was placed on the shoulders of the Qatar General Petroleum Corporation, set up in 1974 as an affiliate of the Ministry of Finance and Petroleum for the purpose. The development of the oil industry in the best interests of the national economy, and the subsequent establishment of heavy industries, such as steel, fertilisers and petrochemicals, in order to maximise economic benefit from available supplies of cheap energy and feedstock, was fundamental to a development plan which saw industry as the key to the future. The State of Qatar aimed through industrialisation to radically transform the national economy. Dependence on a single source of national income represented by crude oil exports would be replaced by a diverse economy with many active sectors to ensure that the country's economic future would be free from the fortunes of the world oil market and the national economy would be self-perpetuating and continually growing.

Since it was formed in 1974 Qatar General Petroleum Corporation has achieved many successes in developing the oil industry and its derivatives to the benefit of the national economy. And if the focus was largely concentrated on the production and marketing of oil in the past, it is the development of Qatar's huge resources of natural gas which is now in the spotlight. The vast North Field now being developed by Qatar General Petroleum Corporation will play a decisive role in Qatar's economic ambitions for the future. For this concentration of natural gas, which is not in any way associated with oil production (i.e. dry gas) is the State of Qatar's second major national asset after oil, and will provide a vital alternative to oil is a major factor in the national economy when oil reserves dwindle at the end of the century.

The North Field, discovered in 1971 in an offshore zone to the north-east of the Qatari peninsula covers a surface area of some 2300 square miles, and contains a concentration of gas conservatively estimated at 150 trillion standard cubic feet (scf) (4.6 trillion cu.m) although some experts have put the size of the gas reserves at more than 300 trillion scf. Whatever the actual scale of the reservoir there is no doubt that the North Field is one of the largest single concentrations of non-associated natural gas to have been discovered anywhere in the world.

HE Sheikh Abdulaziz bin Khalifa Al-Thani.
Minister for Finance and Petroleum

Development of this important economic resource is the responsibility of Qatar General Petroleum Corporation, whose managing director Sheikh Rashid Oweidah al-Thani said that on the most conservative estimates the North field would allow production of around 4 billion scf of gas a day for at least one hundred years. Sheikh Rashid said that such a level of production would more than satisfy Qatar's domestic needs and would provide a huge surplus for export, providing the state with new sources of revenue for the benefit of future generations. He said that this one single field of gas found in the Khuff geological strata of the North Field placed Qatar in the top five of the world league in terms of natural gas resouces.

The markets for Qatar's Gas

On the question of where markets would be found for Qatar's gas exports, Sheikh Rashid Oweidah Al-Thani said "the main factor in the marketing of gas to foreign customers is the high cost of transportation. The closer the customer is to the producing country, the better the economic benefit is for the producer. On this basis, Qatar is looking to market part of its available gas to neighbouring states who are members of the Gulf Cooperation Council. The second potential market is the industrial countries of south-east Asia, and especially Japan. The third prospective market is Turkey and Western European countries".

Development of the North Field gas reserves and installation of all the necessary plant and facilities involves huge investments by the state of Qatar. Consequently, Sheikh Rashid explained, the gas project is being undertaken in two main stages. The first stage, now underway, involves producing natural gas to cover energy and feedstock demand in the domestic market, and will cost an estimated one billion U.S. dollars. The second stage involves installation of a Liquified Natural Gas plant to produce six million tons of LNG a year for export. The combined cost of both stages will be around five billion dollars, Sheikh Rashid said.

Commenting on the first stage of the North Field Gas Project Sheikh Rashid Oweidah al-Thani said production of natural gas to meet eighty percent of domestic energy requirements, both for industry and private consumers could begin by the end of 1988 given the current progress of engineering works. He said "The primary objective of the North Field project is to supply Qatar's own needs for gas. Then comes the project to export LNG to foreign markets. The development of the field will take place gradually in line with national demand, and the securing of firm contracts for purchase of LNG". The initial design contract for the first stage of the project has already been completed and QGPC is working on the next stage of implementation.

Qatar Gas Company formed

While Qatar Petroleum Corporation is solely responsible for the first stage project aimed at supplying local markets with gas and producing natural gas liquids (NGL) and condensates, a new company Qatar Gas Company (QATARGAS) has been formed in association with foreign companies to undertake the LNG export project. QGPC is the major shareholder in Qatar Gas Company and is joined by British Petroleum, Compagnie Française des Petroles - Total, and Japanese company Marubeni, each with a 7.5% share.

The foreign companies, in addition to their shareholdings have further commitments to the North Field Gas Project. The two European companies are to provide technical assistance to QGPC in the form of consultancy services, personnel etc. Marubeni has undertaken to work at securing a firm market for Qatar's LNG in Japan.

The impact of North field gas on Qatar's economy

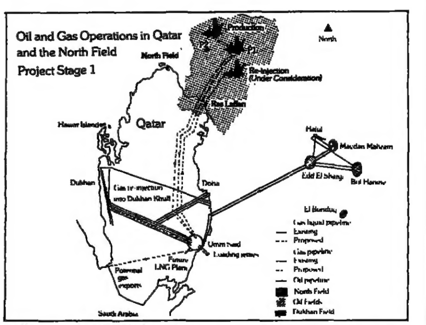
There is no doubt that the development of the huge gas reserves in the North Field will have a major impact on Qatar's economy and prospects for future development. The Director General of Qatar's Chamber of Commerce Kamal Ali Saleh says it is important to recognise that the development of the gas reserves and thus the impact on the domestic economy will come in distinct stages.

"The first stage is from now until 1988 when the gas, NGL and condensates go into production for the first time. Over the next two years Qatari companies will benefit from the vast expenditure on production facilities and related infrastructure. Although the main engineering contracts will go to foreign companies, much of the money will be spent on transport, supplies of steel, cement and other locally made products, food, housing and a wide variety of services in addition to civil engineering contracts. When the gas become available in 1988, energy and feestock for vital installations such as heavy industries, water desalination plants, and power stations will be plentiful, whereas supplies of oil associated gas have been declining since 1983 becausing of falling demand for oil. The production of NGL and condensates for export will boost state revenues with a consequent boost to the national economy.

Sheikh Rashid bin Oweidah Al-Thani
Managing Director, QGPC

Phase two involves the development of the LNG export project scheduled for completion in 1992 with investment costs of some four billion dollars. Again a large slice of this expenditure will be injected into the local economy for supplies and services provided by Qatari companies. Stage three will begin with the actual export of LNG, when the national income will receive a major boost to fuel a new stage of economic development".

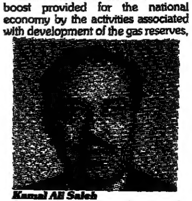
The director general noted "it is difficult to make any firm prediction over the financial impact of the gas project since the LNG export phase is still seven years away. The time scale added to the sensitive strategic nature of the product prevents accurate predictions, especially since all industrial and developing countries are striving to discover and produce their own gas supplies in the short term, or to ensure stable sources of supply. There is no firm indication of what gas prices might be in the mid 1990s. But on the basis of current prices for LNG, sulphur, condensates and NGL, Qatar would receive an annual income from the gas project of some $2,750 million when the project is in full production. This is equal to current revenues from sales of crude oil".



Oil and Gas Operations in Qatar and the North Field Project Stage 1

He noted that Qatar can continue producing oil from existing known reserves at current rates of production for twenty-five to thirty years, though a number of concessions have been awarded to oil companies recently for new explorations on the east coast of the country. Thus it is clear that until the turn of the century, any revenues from LNG will provide a bonus on top of soil revenues, while gas will form the backbone of the national economy for the following hundred years.

All this means that in addition to the boost provided for the national economy by the activities associated with development of the gas reserves, funds should be available from the mid 1990s onwards for a new surge of industrial development in line with the policy of the Emir of Qatar HH Sheikh Khalifa bin Hamad al-Thani, who as architect of the modern state of Qatar is firmly committed to industry as the key to progress and prosperity.



Kamal Ali Saleh
Director General, Qatar Chamber of Commerce

The increased state revenues during the period when gas revenues complement oil revenues will allow new industries to be set up, said Kamal Ali Saleh, while existing industries can be expanded. He suggested that production of steel, sulphur and ammonia would be expanded, methanol production could be introduced and high density polyethylene added to the low density polyethylene plant run by Qatar Petrochemicals Company.

Qatar's place in world markets

A representative of CFP-Total, M.L. Durrand said officials of Qatar Gas Company have now visited several countries which are considered potential customers for Qatar's LNG exports, and have received encouraging responses. He noted that the sheer size of the North Field which is much bigger than any of the current estimates suggest and which can be developed in stages over the years as technology increases, will encourage customers looking for long-term secure supplies of gas.

There is no doubt then that Qatar will become a major exporter of gas by the middle of the next decade, while North Field gas will provide the State of Qatar with a healthy source of income and a basis for future development and prosperity for a long time to come.

NYSE Most Actives

	Vol.	High	Low	Last	Chg.
AT&T	28632	22⅝	21⅞	22½	+ ½
BnkAm	23296	15½	14	14¼	— 1
Texaco	23015	29½	28⅝	29	— ¼
JohnJn	21885	49¼	48	49	+ ⅞
UniTel	18991	28⅝	28⅛	28½	+ ⅜
DowCh	18920	51½	49¼	51	+2⅜
IBM	17930	161	159⅛	159⅞	+ ⅜
BaxtTr	14808	18⅛	17½	17⅞	— ⅜
PhilPt s	15938	10⅜	9⅞	10¼	+ ¼
GMot	15544	80½	79½	80	+1
Compaq	15467	15¼	13⅝	15⅛	+1⅜
Sears	14283	43⅝	42⅞	43⅜	+ ⅜
USSteel	12495	22⅞	22⅛	22⅝	
EastAir	12237	6⅝	6⅛	6⅛	— ¼
OcciPet	12162	25⅜	25	25¼	+ ⅜

Dow Jones Bond Averages

	Close	Ch'ge
Bonds	87.07	+ 0.64
Utilities	87.22	+ 0.66
Industrials	86.93	+ 0.63

Dow Jones Averages

	Open	High	Low	Last	Chg.
Indus	1681.54	1702.75	1668.69	1697.71	+ 24.89
Trans	793.68	803.54	789.41	797.72	+ 5.58
Util	183.99	186.24	183.06	185.53	+ 1.54
Comp	672.49	680.91	668.82	678.02	+ 7.93

NYSE Diaries

	Close	Prev.
Advanced	1329	1036
Declined	396	604
Unchanged	366	432
Total Issues	2091	2072
New Highs	443	251
New Lows	21	33
Volume up	131,121,790	
Volume down	33,767,890	

NYSE Index

	High	Low	Close	Ch'ge
Composite	129.41	128.65	129.41	+1.41
Industrials	147.35	146.95	147.35	+1.69
Transp.	127.12	126.73	127.12	+0.76
Utilities	66.71	66.28	66.71	+0.72
Finance	146.14	145.32	146.04	+1.19

Odd-Lot Trading in N.Y.

	Buy	Sales	*Sh'rt
Feb. 20	279,885	616,410	929
Feb. 19	263,746	722,478	7,150
Feb. 18	313,506	824,362	6,784
Feb. 17	—	Clsd.	—
Feb. 14	282,421	694,351	1,691

*Included in the sales figures

Friday's NYSE Closing

Vol. at 4 P.M.	177,590,000
Prev. 4 P.M. vol.	139,740,000
Prev consolidated close	164,646,430

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Via The Associated Press

AMEX Diaries

	Close	Prev.
Advanced	387	334
Declined	237	282
Unchanged	227	246
Total Issues	851	862
New Highs	102	62
New Lows	12	14
Volume up	7,695,275	
Volume down	2,883,270	

Standard & Poor's Index

	High	Low	Close	Ch'ge
Industrials	247.61	244.79	247.61	+2.82
Transp.	212.58	210.28	212.04	+1.58
Utilities	99.83	98.73	99.83	+1.00
Finance	28.61	28.32	28.51	+0.14
Composite	224.62	222.22	224.62	+2.40

NASDAQ Index

	Close	Ch'ge	Week Ago	Year Ago
Composite	355.85	+2.54	350.28	284.15
Industrials	355.64	+2.34	350.75	308.59
Finance	474.27	+3.02	465.90	338.73
Insurance	436.70	+3.12	428.07	327.26
Utilities	322.45	+3.25	321.90	267.52
Banks	386.17	+6.31	373.18	249.11
Transp.	333.04	+3.17	329.21	265.61

AMEX Sales

4 P.M. volume	14,010,000
Prev. 4 P.M. volume	14,110,000
Prev. cons. volume	14,110,000

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
WangB	6749	20¼	19⅞	20⅛	+ ⅜
AM Intl	6533	7⅞	7⅝	7⅞	+ ½
DomeP	5844	1½	1⅜	1⅜	
Wickes	4912	4⅝	4½	4½	— ⅛
LorriT n	3627	22⅝	20⅞	22⅜	+ 1⅜
OzarkH	2608	17⅝	17⅛	17½	— ⅛
Amdahl	2484	16⅝	16⅛	16½	+ ⅛
GrtLkC	2220	41¼	40⅝	40⅞	+ ½
Lionel	2190	8⅝	8⅛	8⅜	+ ¼
KeyPh	2084	12⅞	12¼	12⅝	+ ⅜
TeliPr a	2080	15⅛	14⅞	15	
SterlSft	1702	16⅜	15⅝	15¾	— ⅝
EchoB s	1648	14¼	14	14⅛	
Hasbro	1551	41⅝	40⅝	41⅛	+ ⅝
Oppenh	1486	12⅛	11⅝	12	+ ⅜

AMEX Stock Index

High	Low	Close	Ch'ge
249.90	247.79	249.26	+ 1.46

NYSE Soars, Ends Near 1,700

United Press International

NEW YORK — The New York Stock Exchange soared to new highs Friday in heavy trading, with the Dow Jones industrial average putting in its fifth record-breaking performance in seven sessions.

The Dow jumped 24.89, to a record 1,697.71, surpassing the previous closing high of 1,678.78 set Tuesday. During trading, the Dow hit 1,702.75 before falling back.

For the week, the Dow climbed 33.26 for a total advance since the beginning of February of 126.72 points. Winning issues outpaced losers 1,163 to 556 among the 2,062 issues traded.

Falling oil prices sent the Dow Jones transportation index up 5.58 to 797.72, its third record closing high this week. The Dow utility average matched that performance; lower interest rates boosted the index 1.54 to a record 185.53.

Big Board volume surged to 177.6 million shares from 139.7 million on Thursday.

Analysts said plummeting oil prices, lower interest rates in the U.S. bond market and the expiration of February stock index options and futures all propelled stock prices higher.

Domestic oil traded on world markets plunged below $14 a barrel to the lowest level in seven years Friday as several oil companies slashed their buying prices for the benchmark U.S. crude.

Charles Comer of Oppenheimer & Co. said the bond market, behaving like a "powerhouse," was behind much of the stock market's move.

"There seems to be a surfeit of cash on the sidelines that comes in whenever the market goes down," he said.

AT&T was the most active NYSE-listed issue, adding ½ to 22½. BankAmerica followed, dropping 1 to 14¼. Texaco was third, losing ¼ to 29.

Most high-technology stocks made only modest gains. IBM rose ⅜ to 160. Burroughs was up ¾ to 70¾, Honeywell was up ¾ to 80¾, Sperry was up ¼ to 53⅝ and Hewlett-Packard was up ⅜ to 44. Digital Equipment was off ⅛ to 162¾. An exception was Cray Research, which climbed 2¼ to 74.

General Motors added 1 to 80. Elsewhere in the auto sector, Ford eased ⅛ to 71½ while Chrysler climbed 1⅝ to 58½.

Despite falling prices in the oil markets, some petroleum issues firmed. Phillips Petroleum added ¼ to 10¼ and Mobil added ¾ to 28⅜. Exxon added ¾ to 52⅝, Chevron rose ½ to 35⅝ and Occidental Petroleum rose ⅜ to 25¼.

Chemical issues, aided by falling petroleum prices, were strong gainers. Dow Chemical jumped 2⅜ to 51, Monsanto rose 1¾ to 59⅜, Celanese advanced 5½ to 198 and Imperial Chemical rose 2⅜ to 52⅞.

Eastern Airlines fell ¼ to 6⅛. Eastern pilots voted overwhelmingly to authorize a strike against the carrier Wednesday if they do not reach an agreement, but talks went on Friday and company directors held an emergency meeting.

Prices were higher in active trading on the American Stock Exchange.

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
		A								
20⅛	10⅝	AAR s			18	364	20¼	19⅝	19⅝	— ⅜
25⅝	10¼	AGS			20	129	25	24¼	24⅞	
14	9⅞	AMCA				32	12⅛	11¾	12⅛	
52¾	37½	AMR			9	7188	52¾	51¼	52⅝	+ ¾
24⅜	18⅝	AMR pf	2.18	8.7		411	25⅛	24½	25	+ ½
25⅛	23¼	ANR pf	2.67	11.0		2	24⅛	24⅛	24⅛	+ ⅛
22	19	ANR pf	2.12	10.5		2	20¼	20¼	20¼	— ¼
12½	7⅝	APL			7	45	11⅞	11⅞	11⅞	— ¼
16¾	10⅝	ARX			13	89	14⅝	14⅝	14⅝	
55⅝	32¾	ASA	2.00a	5.3		941	38½	37⅝	37⅞	— ½
25¼	10½	AVX		1.8		997	18⅛	17⅞	18	
28⅛	20⅝	AZP	2.72	9.7	7	1514	28⅛	27½	28⅛	+ ⅜
72	46¾	AbtLab	1.40	2.1	17	3573	67¾	66½	67	
30⅛	19⅝	AccoWd	.50	1.7	21	744	29⅝	29¼	29⅝	+ ⅜
24¼	10	AcmeC	.40	3.1	18	60	12⅞	12⅝	12⅞	
10⅛	7	AcmeE	.32b	3.5	17	56	9¼	8⅞	9¼	+ ⅜
19¼	16⅛	AdaEx	1.90e	10.3		124	18⅝	18⅛	18⅝	+ ¼
24⅛	14	AdmMi	.40	1.6	11	109	25	24½	25	+ ⅜
19¾	8¼	AdvSys	1.24t	6.2	18	433	20¼	19¾	20⅛	+ ⅜
34	22⅞	AMD				2955	32⅞	32¼	32½	+ ¼
12⅝	10	Adobe n				36	10⅛	10	10⅛	+ ⅛
18⅝	14⅝	Adob pf	1.84	11.4		15	16½	16	16⅛	+ ⅛
18½	15¼	Adob pf	2.40	13.0		55	18½	18¼	18½	
17	8⅛	Advest	.12b	.7	15	373	16⅝	16⅛	16⅝	+ ⅛
61⅝	39⅝	AetnLf	2.64	4.3	14	2716	61⅞	60⅜	61⅜	+1¼
57½	52½	AetL pf	5.19e	9.7		146	53⅝	53⅜	53⅜	— ⅛
68¼	27¼	Ahmns	1.20	1.8	8	2072	66⅝	64⅝	65	—1
4⅛	2½	Aileen			108	87	3¼	3⅛	3¼	+ ¼
75⅝	46⅞	AirPrd	1.48	1.9	16	4244	76⅝	75⅜	76¼	+1⅛
24⅝	17½	AirbFrt	.60	2.7	16	681	22¾	22¼	22⅜	— ¼
2⅛	⅞	AlMoan	1.50c			1124		⅞	⅞	—
9⅝	7	AlaP dpf	.87	8.9		545	9⅞	9⅝	9⅝	
96	69	AlaP pf	9.00	9.0		2160z	102½	100	100	+5
107	96⅞	AlaP pf	11.00	10.3		200z	107	107	107	+ ½
103	73½	AlaP pf	9.44	9.2		1900z	103	102	103	
90⅛	63½	AlaP pf	8.16	9.1		12210z	90	90	90	— ⅛
83½	65	AlaP pf	8.28	9.9		2730z	84½	82¼	84	+1½
26⅝	15¼	AlskAir	.16	.9	7	531	18⅝	18⅛	18⅝	+ ¼
26¾	8¼	Alberto s	.28	.9	30	95	29¾	28⅝	29½	+2⅝
33⅝	26⅞	Albtsns	.76	2.2	14	350	34¼	33⅝	34¼	+ ⅝
32½	22⅝	Alcan	.80	2.5		4984	32¾	31⅞	32⅝	+ ⅝
39	31½	AlcoStd	1.24	3.3	17	293	38¾	38	38¾	+ ¾
37	26	AlexAlx	1.00	2.8		2520	36⅝	35⅝	36⅛	+ ⅜
43	21⅛	Alexdr			45	22	38¾	38½	38½	— ½
92½	75	AllgCp	1.54t	1.7	24	56	92⅞	92	92¼	+ ¼
28¾	16½	AlgInt	1.40	7.5		101	19	18⅝	18⅝	— ¼
20¾	15⅛	AlgIn pf	2.19	11.3		28	19⅛	18⅞	19⅛	+ ⅛
98	78	Algl pfC	11.25	12.6		17	90	88½	89½	+1
37¼	28⅛	AllgPw	2.70	7.2	11	967	37¾	37	37⅝	+ ½
24⅝	14⅝	AllenG s			18	793	26¼	24½	26¼	+1⅝
31⅝	16½	AlldPd			14	84	32⅝	31¼	32⅝	+1⅜
51½	42	AldSgn n	1.80	3.6		6194	50⅞	49½	50¼	+ ⅜
60½	58¾	AldS pfC	6.74	10.8		192	62¾	62	62¼	— ⅛
111	103½	AldS pfD	12.00	11.1		13	109¾	108¾	108½	— ½
74¼	50¼	AlldStr	2.32	3.2	9	490	72	71⅞	72	+ ⅜
8⅝	3½	AllisCh				236	4¼	4⅛	4½	
35¼	26¾	AllsC pf				12	33½	33¼	33¼	— ¼
32⅝	25½	ALLTL	1.96	6.2	10	249	31¾	30⅝	31⅜	+ ½
45⅝	29⅝	Alcoa	1.20	2.6		4928	45⅝	44½	45⅝	+1⅜
19	10½	Amax				2079	13⅝	12⅞	13⅛	+ ⅜
36	27½	Amax pf	3.00	8.8		6	34	33⅝	34	+ ¼
34	22	AmHes	1.10	4.8		3368	23	22½	22⅝	+ ¼
[illegible]										
34¼	27	NiaMpf	3.60	11.3		108z	32	32	32	
41½	31	NiaMpf	4.10	9.9		58z	41¼	41¼	41¼	
50¾	38¾	NiaMpf	5.25	10.9		100z	48	48	48	
75½	55	NiaMpf	7.72	10.3		50z	75	75	75	
17	14½	NiagSh	1.71e	10.9		85	15⅝	15⅝	15⅝	+ ⅛
17⅞	11⅝	Nicolet	.12	.9	16	160	13¾	13½	13¾	+ ¼
25⅝	19	NICOR	1.80	7.4		720	23⅝	23⅝	23⅝	+ ⅛
33	21¾	NICO pf	1.90	7.2		1	26¼	26¼	26¼	+ ¼
16½	10	NoblAf	.12b	1.2		986	10½	10¼	10⅜	+ ¼
17⅛	10½	NordRs			9	90	14½	14⅛	14⅜	+ ⅛
91¼	62	NorfkSo	3.40	3.7	11	1966	91	90⅜	90⅝	— ½
16⅝	3⅝	Norlin				250	6⅝	6½	6½	+ ⅛
31	19⅝	Norstr s	1.28	4.6	11	1224	28	27⅝	28	+ ⅜
18¾	13⅝	Nortek	.08	.4	9	276	18⅝	18⅛	18½	
72¼	51¼	NACoal	1.10	1.6	7	18	68⅝	68	68¼	
45⅝	31⅝	NAPhil	1.00	2.4	15	421	42½	41⅝	42½	+ ⅛
20⅛	15	NEurO	2.02e	12.0	8	125	17	16⅝	16⅞	— ¼
21⅝	14½	NoestUt	1.68	7.6	8	8321	22	21¼	22	+ ⅜
12⅞	8⅝	NIndPS	1.56			5177	11⅞	10⅝	11⅛	+ ⅛
47¼	33¼	NIPS pf	4.26e	10.9		1	39	39	39	
56⅛	42	NoStPw	3.52	6.2	10	387	57	55⅝	56⅝	+ ⅜
38	30½	NSPw pf	3.60	9.7		120z	38	37¾	37¾	+ ⅛
45¾	34½	NSPw pf	4.10	8.7		1490z	47	46	47	+1⅛
46½	33½	NSPw pf	4.11	9.0		200z	45¾	45¾	45¾	— ⅜
48	35¾	NSP pf	4.16	8.5		100z	49	49	49	+1
95¾	75	NSPw pf	8.80	9.0		10z	98	98	98	+2¾
77¾	59⅝	NSPw pf	7.00	8.8		10z	80	80	80	+2⅛
39½	25¼	NorTel	.50			1895	28¼	27⅞	28⅛	+ ¼
4⅝	2⅝	Nthgat g				19	3⅝	3¼	3⅝	+ ⅛
56⅝	38⅝	Nortrp	1.20	2.8	9	2744	42½	40⅝	42⅛	+1⅝
17⅝	8	NwStW				142	17¼	17⅛	17⅛	
40⅝	33	Norton	2.00	5.1		364	39⅝	38⅞	39⅜	+ ⅜
33½	22⅝	Norwst	1.80	5.4	10	824	33⅝	32⅝	33⅛	— ⅜

(Continued on Page 12)

[illegible]

صكرا من الاحهل

International Herald Tribune

BUSINESS/FINANCE

U.S. Stocks Report, Page 10

Statistics Index

AMEX prices P.14
AMEX highs/lows P.14
NYSE prices P.10
NYSE highs/lows P.12
Canadian stocks P.16
Currency rates P.11
Commodities P.12
Dividends P.12
Earnings reports P.15
Flng rate notes P.14
Gold markets P.11
Interest rates P.11
Market summary P.10
Options P.12
OTC stock P.15
Other markets P.16

ECONOMIC SCENE

Treasury-Fed Split May Be More Apparent Than Real

By LEONARD SILK

New York Times Service

NEW YORK — Who is calling the shots on U.S. monetary policy, interest rates and the dollar — the Treasury or the Federal Reserve Board? This week the foreign-exchange and securities markets were thrown into confusion by apparently conflicting signals from James A. Baker 3d, Secretary of the Treasury, and Paul A. Volcker, chairman of the Federal Reserve Board.

Mr. Baker said Tuesday that the administration "wouldn't be displeased" to see a further decline in the dollar, a remark that sent the dollar plummeting. But Mr. Volcker said Wednesday that the dollar had "fallen enough," a statement that halted the currency's plunge.

Mr. Baker comes across as the good cop, Mr. Volcker the bad.

On Thursday, the disparity continued, with Mr. Volcker saying the dollar's decline was nearing "the danger zone" and Mr. Baker saying a further drop would help the U.S. trade balance. He also denied any fundamental disagreement with the Fed chairman.

Is there actually a fight developing between Mr. Baker and Mr. Volcker, the allies who put together the agreement of last September among the Group of Five major industrial countries to bring down the dollar? Or are the Treasury and Fed chiefs just working a good-cop, bad-cop routine?

From the standpoint of the U.S. stock and bond markets, Mr. Baker is the good cop. He wants to see not only a lower dollar but also lower interest rates, which would stimulate investment in plant and equipment, spur housing and ease the debt problems of developing countries.

MR. VOLCKER plays the bad cop. He says he wants the dollar to stay where it is, and he will not cut the discount rate. He does not want the booming stock market or the falling dollar to get out of hand, and his is the unpopular job once described by an earlier Fed chairman, William McChesney Martin, as "taking the punch bowl away just when the party starts getting merry." Too much merriness always makes the Fed worry about inflation, and Mr. Volcker has made clear that he will not risk it.

However, with the federal budget deficit having turned the corner and starting to get smaller, whatever the constitutional fate of the Gramm-Rudman-Hollings law requiring a balanced budget by 1991, some economists, even at the Treasury and within the Fed, have been urging the central bank to follow a more expansionary monetary course to offset the downward pressures of a shrinking budget deficit.

But Mr. Volcker told the House Banking Committee this week that the Fed had made "no significant change" in monetary policy and did not intend any. It had set the target range for growth of the basic money supply, M-1, at 3 percent to 8 percent for this year, unchanged from the second half of last year. It set the range for the broader measures, M-2 and M-3, at 6 percent to 9 percent, also unchanged.

But Mr. Volcker made clear that such targets were not set in concrete. They scarcely can be, given divisions within the Fed. The Fed chairman said that views among members of the Federal Open Market Committee, which sets monetary policy, were "rather mixed."

Some, he said, expected further progress toward price stability, especially as a result of falling oil prices, while others expected longer upward pressure on prices resulting from the decline of the dollar. He also indicated division on growth projections, with some expecting 3-percent growth this year, others 4-percent growth and a "central tendency" of 3- to 3.5-percent growth.

With the economy purring along faster than expected, Mr. Volcker seems in no mood to be pressured into greater monetary stimulus until he sees clear signs of a slowdown resulting from a fiscal squeeze. On the other side, he does not want to slow monetary growth to head off inflation, just to suit the prescrip-

(Continued on Page 13, Col. 1)

Currency Rates

Cross Rates

Feb. 21

	$	£	D.M.	F.F.	I.L.	Gldr.	B.F.	S.F.	Yen
Amsterdam	2.617	3.782	112.96 *	36.90 *	0.1659 *	—	5.518 *	135.25 *	1.4182 y
Brussels(a)	47.4425	68.87	20.48	6.6475	3.011 *	18.1290	—	24.53	25.940 *
Frankfurt	2.3158	3.345	—	32.565 *	1.4695 x	88.52 *	4.883 *	119.78 *	1.2655 *
London (b)	1.4445	—	3.3418	10.2615	2,260.00	3.7775	68.41	2.795	264.50
Milan	1,575.35	2,274.00	680.25	221.41	—	602.86	33.283	813.77	8.686
New York(c)	—	0.6673 *	2.2978	7.86	1,661.00	2.597	47.035	1.9220	182.475
Paris	7.1130	10.262	3.0704	—	4.5135 x	2.7185	14.971 *	3.6725	3.88 *
Tokyo	182.30	265.86	79.26	25.84	11.48 *	70.28	387.46 *	95.18	—
Zurich	1.9025	2.791	83.705 *	27.225 *	0.1229 *	74.14 *	4.09 *	—	1.088 *
1 ECU	0.9339	0.6474	2.164	6.6444	1,472.00	2.4448	44.314	1.8898	171.374
1 SDR	1.1345	0.78567	N.Q.	N.A.	1,787.26	2.969	53.8235	2.1958	206.786

Closings in London and Zurich, fixings in other European centers. New York rates at the close. (a) Commercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar (*) Units of 100 (x) Units of 1,000 (y) Units of 10,000 N.Q.: not quoted; N.A.: not available. (e) To buy one pound: $U.S.1.455

Other Dollar Values

Currency	per U.S.$	Currency	per U.S.$	Currency	per U.S.$	Currency	per U.S.$
Argen. austral	0.80	Fin. markka	5.1875	Mex. peso	469.00	Soviet ruble	0.727
Austral. $	1.4205	Greek drac.	141.50	Norw. krone	7.18	Span. peseta	144.95
Austr. schill.	16.17	Hong Kong $	7.8055	Phil. peso	19.10	Swed. krona	7.34
Belg. fin. fr.	47.46	Indian rupee	12.2699	Port. escudo	150.00	Taiwan $	39.10
Brazil cruz.	13,340.00	Indo. rupiah	1,126.00	Saudi riyal	3.6510	Thai baht	26.405
Canadian $	1.3884	Irish £	0.7634	Sing. $	2.1335	Turkish lira	586.85
Chinese yuan	3.2079	Israeli shek.	1.4757	S. Afr. rand	2.0263	UAE dirham	3.673
Danish krone	8.51	Kuwaiti dinar	0.2838	S. Kor. won	888.30	Venez. boliv.	18.39
Egypt. pound	1.32	Malay. ring.	2.474				

£ Sterling: 1.1050 Irish £

Sources: Banque du Benelux (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); BAII (dinar, riyal, dirham); Goshank (ruble). Other data from Reuters and AP.

Interest Rates

Eurocurrency Deposits

Feb. 21

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	ECU	SDR
1 month	7⅞-8	4 ⅝-4 ¾	3¾-3⅞	12⅝-12¾	12½-12¾	9 ⅞-9 ⅞	7⅞
2 months	7⅞-8	4 ⅝-4 ¾	3¾-3⅞	12 ⅝-12 ¾	14⅛-14⅜	9 ⅞-10 ⅛	8 ⅛
3 months	7⅞-8	4 ⅝-4 ¾	3¾-3⅞	12 ⅜-12 ⅝	14⅛-14⅜	9 ⅞-10 ⅛	8⅛
6 months	7⅞-8	4 ⅝-4 ¾	3 ⅝-3 ¾	[illegible]	13-13⅜	9⅝-9¾	7 ⅞
1 year	8-8 ⅛	4 ⅝-4 ¾	3⅞-4	11 ⅝-11 ⅞	12⅜-12½	9⅝-9¾	7⅞

Sources: Morgan Guaranty (dollar, DM, SF, Pound, FF); Lloyds Bank (ECU); Reuters (SDR). Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

Feb. 21

	Close	Prev.
United States		
Discount Rate	7½	7½
Federal Funds	7 9/16	7¾
Prime Rate	9½	9½
Broker Loan Rate	8¾	8¾
Com Paper 30-179 days	7.60	7.65
3-month Treasury Bills	6.95	7.08
6-month Treasury Bills	7.02	7.14
CD's 30-59 days	7.74	7.74
CD's 60-89 days	7.60	7.60
West Germany		
Lombard Rate	5.50	5.50
Overnight Rate	4.40	4.50
One Month Interbank	4.30	4.35
3-month Interbank	4.50	4.50
6-month Interbank	4.55	4.55
France		
Intervention Rate	8½	8½
Call Money	8⅝	8¾
One-month Interbank	8⅝	8 9/16
3-month Interbank	8¾	8¾
6-month Interbank	8 11/16	8 11/16
Britain		
Bank Base Rate	12½	12½
Call Money	12⅝	12¾
91-day Treasury Bill	12 1/16	12 1/16
3-month Interbank	12¾	12 1/16
Japan		
Discount Rate	4½	4½
Call Money	5 11/16	5¾
60-day Interbank	5 13/16	5 15/16

Sources: Reuters, Commerzbank, Crédit Lyonnais, Bank of Tokyo.

Asian Dollar Deposits

Feb. 21

1 month	7⅞-8
2 months	7⅞-8
3 months	7⅞-8
6 months	7⅞-8
1 year	8-8⅛

Source: Reuters.

U.S. Money Market Funds

Feb. 21

Merrill Lynch Ready Assets 30 day average yield: 7.45

Telerate Interest Rate Index: 7.571

Source: Merrill Lynch, Telerate.

Gold

Feb. 21

	A.M.	P.M.	Ch'ge
Hong Kong	340.55	341.65	+0.30
Luxembourg	340.50	—	[illegible]
Paris (12.5 kilo)	341.70	342.16	+1.32
Zurich	341.65	339.25	[illegible]
London	339.80	338.00	+0.90
New York	—	341.80	[illegible]

Luxembourg, Paris and London official fixings; Hong Kong and Zurich opening and closing prices; New York Comex current contract. All prices in U.S. $ per ounce.

Source: Reuters.

Canada Sees Role In Eureka

Says Paris Backs It; U.S. Hopeful

By Axel Krause

International Herald Tribune

PARIS — Prime Minister Brian Mulroney of Canada said Friday that France had agreed to support participation by Canadian companies in the Eureka high-technology program, the first time that a non-European country would be allowed to take part.

U.S. officials viewed the move as a possible first step toward participation by American companies in Eureka, which was established last November to stimulate and promote West European cooperation in high technology in the face of intense competition from the United States and Japan.

No countries outside Europe have been allowed to participate in Eureka.

There was no immediate confirmation from France of its apparent change in position. But any such change would carry weight with Eureka's 17 other countries because France has taken a leading role in shaping the program.

Opening the door to Canada is likely to provoke major opposition from smaller Eureka countries such as Austria, Sweden and Finland, which have seen the program as a way to avoid domination by giant American and Japanese multinationals.

Mr. Mulroney and Canadian diplomatic officials said that the expressed support for participation by Canadian concerns came during Mr. Mulroney's conversations this week with President François Mitterrand and other French officials.

U.S. diplomatic officials viewed France's position as a major shift in its approach to Eureka, and they told the International Herald Tribune on Friday that they believed that French support could now also be extended to U.S. companies operating in Western Europe.

The U.S. officials said that theme could surface in speech on U.S.-European technological cooperation that Hubert Curien, France's minister of research, is scheduled to deliver Wednesday at the American Chamber of Commerce in France.

"Recently, French officials have been telling us privately they would not discount American company participation in Eureka, said a U.S. official who monitors French technology. "But nothing has gone as far as the message Mr. Mulroney is delivering."

It was not immediately clear how Canadian companies would become involved in Eureka. Until now, government agreements with Eureka were required for a company's participation in the program.

To facilitate participation by Canadian companies, the Canadian government would provide 20 million Canadian dollars ($14.39 million) over the next two years, reflecting Ottawa's intention to expand its economic relations with Western Europe, Mr. Mulroney said.

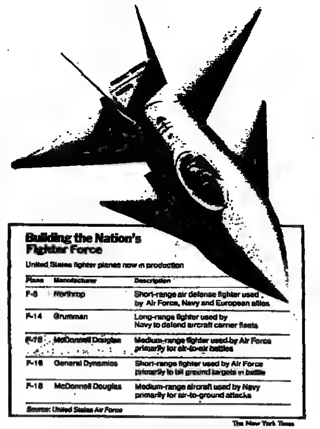
It was not yet clear how that money would be distributed.

Who Will Build the Super-Fighter?

7 Contractors Vie for Share Of $50 Billion

By Nicholas D. Kristof

New York Times Service



Building the Nation's Fighter Force

United States fighter planes now in production

Plane	Manufacturer	Description
F-5	Northrop	Short-range air defense fighter used by Air Force, Navy and European allies
F-14	Grumman	Long-range fighter used by Navy to defend aircraft carrier fleets
F-15	McDonnell Douglas	Medium-range fighter used by Air Force primarily for air-to-air battles
F-16	General Dynamics	Short-range fighter used by Air Force primarily to hit ground targets in battle
F-18	McDonnell Douglas	Medium-range aircraft used by Navy primarily for air-to-ground attacks

Source: United States Air Force

The New York Times

An artist's rendering showing a design by Lockheed Corp. for the Advanced Tactical Fighter aircraft.

LOS ANGELES — Seven of the biggest U.S. military contractors are competing for a share of the largest aircraft project on the horizon: a new jet fighter for the air force at a cost of up to $50 billion.

The seven companies filed technical proposals with the government Tuesday — each one a 3,000-page compendium explaining how it would design a replacement for the F-15, the air force's medium-range fighter. The proposed plane is now called the Advanced Tactical Fighter, or ATF.

Already each of the companies has spent millions of its own money in jockeying for a role in the project.

"It is a must-win program," said Herbert F. Rogers, a general manager of General Dynamics Corp., one of the competitors. The others are McDonnell Douglas Corp., which makes the F-15, Boeing Co., Grumman Corp., Lockheed Corp., Northrop Corp. and Rockwell International Corp.

"This is the big new aircraft program for the 1990s," said Sherman N. Mullin, a Lockheed vice president who directs the company's program on the fighter. "There are other programs, but they have already been won by someone."

In an indication of how seriously the project is being taken, Lockheed has spent "in the low hundreds of millions of dollars" and assigned hundreds of its most able managers and technicians to ATF research, Mr. Mullin said. The project is viewed in the industry as critically important not only for the money it would bring but also for the prestige involved.

The government has spent relatively modest sums on the fighter, largely to develop a sophisticated engine. President Ronald Reagan's proposed budget for next year provides almost $295 million for the Advanced Tactical Fighter, up from $165 million in the current year, but still nothing like the amounts that will be needed if the air force is to meet its goal of having the first squadron of new planes ready by 1995.

"I'd be very surprised if any

(Continued on Page 13, Col. 3)

Bourse Probes Fermenta Affair; Trading Halted

Reuters

STOCKHOLM — Trading in shares of Fermenta AB, the embattled Swedish pharmaceutical group, was suspended Friday for the second time in a week after the Stockholm Stock Exchange began an inquiry into swings in the share price.

Bengt Ryden, a director of the exchange, said Fermenta had agreed to halt trading after the exchange contacted the company about the stock's fluctuations since a $540-million agreement with Volvo AB was announced Jan. 8.

Volvo was to take a 20-percent stake in Fermenta under the agreement, which would have made the company Sweden's largest pharmaceutical concern. Volvo was to have paid 220 kronor ($30.10) per share.

But since Refaat el-Sayed, the Egyptian-born main shareholder of Fermenta, admitted last week that he had lied about his academic qualifications, Volvo has been backing away from the accord. Mr. Sayed resigned on Monday from his post as chief executive, while remaining deputy chairman.

Trading in Fermenta shares, which had been at 247 kronor per share on Feb. 14, was suspended Monday. After trading resumed Tuesday, the price plummeted to 144 kronor on Wednesday before recovering to 155 kronor ahead of the new trading halt.

Afterward, Mr. Ryden said at a news conference that the exchange would have been forced to act if Fermenta had not agreed to stop trading. He said trading would resume once Fermenta had provided necessary information.

"What has happened in the past days amounts to hysteria, based on exaggerations and unfounded rumors," Mr. Ryden said of the changes in share price.

Fermenta's latest problems appear due to Mr. Sayed's trading in company stock, dealers said. He told the Swedish Bank Inspection Board this week that he had bought 4 million Fermenta shares up to last Monday for eventual sale to Volvo.

Mr. Sayed has denied manipulating the share price. He told reporters that he had paid an average of 280 kronor a share for the 4 million shares.

Volvo said Thursday night that it no longer considered itself bound by its arrangement with Fermenta.

After the Friday suspension, Volvo said it would issue a statement on Sunday. Mr. Sayed said he would negotiate with Volvo over the weekend and that Volvo would probably try to make him give up control of Fermenta.

Fermenta's bank, Svenska Handelsbanken, said Friday that the suspension of trading was "extremely unusual."

Fermenta, which considers the Jan. 8 agreement binding, released Friday what it said was the text of the accord, signed by Mr. Sayed and the Volvo chairman, Pehr G. Gyllenhammar.

The document describes prices, payments transfers and other terms in detail.

U.S. Envoy Says Japan Must Reform Economy to Lift Imports

By Sam Jameson

Los Angeles Times Service

NYT/1972

Mike Mansfield

TOKYO — U.S. Ambassador Mike Mansfield, acknowledging that a full opening of Japan's markets would only slightly dent its trade surpluses, has urged Japan to undertake broad reforms in taxes, wages and other areas to promote imports.

In recent speeches in Tokyo and Kyoto, Mr. Mansfield said that a complete opening of Japan's markets to foreign goods would result in an increase of no more than $10 billion in U.S. exports to Japan. That represents about one-fifth of the U.S. trade deficit with Japan last year.

By itself, he said, opening the Japanese markets "will not solve our trade problems." What is needed is "structural changes that will bring Japan's economy into harmony with the rest of the world," he said.

Mr. Mansfield noted that Prime Minister Yasuhiro Nakasone had called for such reform, and he described it as "the most crucial action item on Japan's economic agenda."

According to private economists, he said, Japan's global trade surplus for fiscal 1986 could be as much as $70 billion, compared to $56 billion in calendar 1985.

"Too much of Japan's growth is based on exporting," the ambassador said. He cited real growth of 49.2 percent in exports last year, compared with an increase in private consumption in Japan of only 2.6 percent.

Mr. Mansfield said lower income taxes and higher wages were needed in Japan to spur consumption and correct what he called a lag in disposable income. Government economists acknowledge that, in recent years, wage increases have not kept pace with the growth in productivity.

"Most of the large trading profits enjoyed by Japanese companies have not been passed on to the domestic economy in the form of higher wages or increased investment, but have been sent abroad to take advantage of higher interest rates," Mr. Mansfield said.

Japan also should allow its citizens to deduct mortgage interest payments from their income tax, he said. Lack of such deductions, he said, means that most families must save for large down payments on their homes.

Tax exemptions designed to stimulate savings, which now allow any Japanese to earn tax-free interest on savings of up to 9 million yen ($49,700), should be eliminated, he said.

Building up transportation, housing, recreation facilities, schools and environmental protection would benefit the Japanese consumer and fulfill Japan's international responsibilities, he said.

Mr. Mansfield complained that a highly publicized campaign undertaken last April by Mr. Nakasone to persuade Japan's consumers and large corporations to buy more foreign goods has produced "much thunder and little rain."

He said that many Japanese companies had professed good intentions. But in 1985, he said, "Japanese imports of American manufactured goods rose by less than 2 percent. By contrast, in 1985, Japan's manufactured goods exports to the United States increased by more than 30 percent. Japan must do better than this."

■ Effects of the Yen's Rise

Japan's economy is maintaining its gradual expansion but pressure from the appreciation of the yen on industrial production and capital spending is bound to increase, the Economic Planning Agency said Friday, according to an Agence France-Presse dispatch from Tokyo.

The agency said in its monthly economic report that consumer spending was increasing steadily.

It said, however, that production by mining and manufacturing industries was expected to show a decline of 3.2 percent in January over the previous month and a further decline of 0.2 percent in February.

In another development, the Japanese government decided Friday to expand relief measures for small and medium-sized companies hurt by the yen's appreciation.

Michio Watanabe, minister of International Trade and Industry, said the measures were aimed at converting export-oriented industries to serve the domestic market.

The relief program consists of low-interest loans.

Personal Income Falls 0.1% in U.S.

Reuters

WASHINGTON — The personal income of Americans fell $2.8 billion, or 0.1 percent, to a seasonally adjusted annual rate of $3.38 trillion in January, the Commerce Department said Friday.

It revised the December figure, provisionally reported as a 1.4-percent rise, to 1.2 percent. Expenditure on personal consumption fell $10.6 billion, or 0.4 percent, in January to $2.66 trillion. It rose 2.1 percent in December, reported provisionally as 2 percent.

The January decline in personal income was the first decrease since last May when income fell 0.5 percent, the department said.

U.S. Oil Falls Below $14 a Barrel

United Press International

NEW YORK — U.S. oil fell below $14 a barrel on world markets Friday, to the lowest close in seven years, as several oil companies slashed their buying price for the benchmark West Texas crude.

The fall below the $14-barrier pushed prices sharply higher on U.S. credit markets and on the New York Stock Exchange. (Story, Page 10.)

On the New York Mercantile Exchange, West Texas Intermediate for April delivery fell $1.11, to $13.53 a barrel, its lowest close since the crude began trading on the exchange in 1982.

Domestic crude prices have not been in the $13-a-barrel range since mid-1979, when the Iranian revolution set in motion the second OPEC price shock.

West Texas Intermediate finished under the critical $15 barrier on the Merc for the first time ever Tuesday and then fell to the previous record low of $14.17 a barrel Thursday, when the March contract expired.

On the international spot market, where oil is sold by the shipload, West Texas intermediate dropped 25 cents, to $13.95 a barrel.

Regular leaded gasoline for immediate delivery on the Merc fell 2.37 cents, to 39.83 cents a gallon.

Analysts said major traders sold on the spot and futures markets Friday in anticipation that prices would erode further because Saudi Arabia, principal producer in the Organization of Petroleum Exporting Countries, showed no signs of ending its pricing war against non-OPEC producers.

Alvin Silber, analyst at Brean, Murray, Foster Securities in New York, predicted that oil would hit a bottom at $12.50 a barrel "because at that price in U.S. dollars, it equates to about $5 a barrel" adjusted to base year 1972.

"History teaches us that the U.S. oil price historically has found support at $5 a barrel when the price is in 1972 dollars," said Mr. Silber, who has just completed a study of prices back to 1912.

U.S. crude oil prices averaged about $27 a barrel in 1984.

Exxon Corp., Amoco Corp. and Atlantic Richfield Co. reduced the price they will pay for the crude by $1, to $20 a barrel. Domestic crude postings averaged $28 a barrel in December.

The Value Line brings you
HARD FACTS ON
1700 AMERICAN STOCKS

The Value Line Investment Survey covers more than 1700 American stocks, which account for over 90% of all dollar trading volume in U.S. equity markets. With The Value Line Survey, you have objective evaluations—updated every week—of just about any American stock that's likely to come to your attention.

Every three months, on a regular schedule, Value Line presents a new full-page report on each stock, packed with vital data, including 22 series of key operating and financial statistics going back 15 years and estimated 3 to 5 years ahead. Then, for each stock—*every single week*—Value Line updates the Price, future Performance and Safety ranks, Appreciation Potential, Yield, and estimated Earnings and Dividends.

This information will enable you to assess a stock's prospects based on hard financial facts. As a special introductory offer, you can receive 12 weeks of Value Line for only $75—about half the regular rate—providing you have not had a subscription in the past two years. As a BONUS, you will also receive the Value Line's 2000-page Investors Reference Service with the latest full-page reports on over 1700 stocks, together with the 72-page booklet, "A Subscriber's Guide." Send payment (no cash please) along with name and address together with this ad to Dept. 513K04

THE VALUE LINE
711 Third Avenue, New York, N.Y. 10017, U.S.A.

Payment in local currencies (British £64, French fr 738 Swiss fr205, DM242) and requests for information should be directed to: Value Line, Att.: Alexandre de Saint-Phalle, 2 Ave. de Villars, 75007 Paris, (Tel. 551.63.59).

Distributed by KLM Royal Dutch Airlines Publication Distribution Service Holland. Allow 4 to 6 weeks for delivery

AVIS AUX PORTEURS D'OBLIGATIONS DE L'EMPRUNT
9% 1978/1993 DE U.S. $25.000.000,—
EMIS PAR LA COMMUNAUTE EUROPEENNE
DU CHARBON ET DE L'ACIER

La Commission des Communautés Européennes informe les porteurs d'obligations de l'emprunt mentionné ci-dessus que l'amortissement au 1er avril 1986 portant sur U.S. $850.000,— a été effectué par imputation de titres rachetés en Bourse et par tirage au sort par devant notaire.

Montant des titres rachetés en Bourse: U.S. $355.000,—
Montant des titres remboursés : U.S. $495.000,—

Numéros des titres sortis au tirage :

Nos. 22858 à 23352 inclus.

Les obligations tirées au sort cesseront de porter intérêt le 1er avril 1986. Les obligations présentées au remboursement devront être munies des coupons au 1er avril 1987 et suivants attachés et seront payables suivant les conditions indiquées sur les titres.

Montant restant en circulation après le 1er avril 1986 :

U.S. $18.200.000,—

BANQUE PARIBAS (LUXEMBOURG) S.A.)

AVIS AUX PORTEURS D'OBLIGATIONS DE L'EMPRUNT
9,25% 1978/1998 DE U.S. $25.000.000,—
EMIS PAR LA COMMUNAUTE EUROPEENNE
DU CHARBON ET DE L'ACIER

La Commission des Communautés Européennes informe les porteurs d'obligations de l'emprunt mentionné ci-dessus que l'amortissement au 1er avril 1986 portant sur U.S. $850.000,— a été effectué par imputation de titres rachetés en Bourse et par tirage au sort par devant notaire.

Montant des titres rachetés en Bourse: U.S. $789.000,—
Montant des titres remboursés : U.S. $ 61.000,—

Numéros des titres sortis au tirage :

Nos. 34962 à 35022 inclus.

Les obligations tirées au sort cesseront de porter intérêt le 1er avril 1986. Les obligations présentées au remboursement devront être munies des coupons au 1er avril 1987 et suivants attachés et seront payables suivant les conditions indiquées sur les titres.

Montant restant en circulation après le 1er avril 1986 :

U.S. $18.200.000,—

BANQUE PARIBAS (LUXEMBOURG) S.A.)

You Don't Need $1,000,000 To Play The Stock Market — $500 Will Do

That's right. You needn't be a millionaire to participate in the stock market. Want proof? Send for 8 weeks trial of Dow Theory Forecasts Advisory Service — it's only $7.50 on this Special Offer and it is a $32.56 value.
Included are our low priced recommendations with 5 stocks under $10 and 20 under $20. $500 will get you started in any of them.
Also received in the trial are our weekly Market Commentary, Stock Service Digest — Digest of 30 Advisory Services, Dow Theory Master List of Stocks, Dow Theory "Buy" and "Sell" signals on the general market, extensive follow-up on previous recommendations, and Analysts' Choices. Stock recommendations include: (1) Turnaround Selections; (2) Growth Stocks; (3) Low Priced List; and (4) Special Situations.

15 Capital Gains Stocks and 30 Stock Split Candidates

You also receive our list of "15 Favorite Capital Gains Stocks" including 5 low priced stocks. And our Buy-Sell-Hold advice is offered on 22 glamour issues such as Syntex, Avon, Disney, Burroughs, IBM and Xerox. You also receive our list of 30 stock split candidates.
Whether you wish to invest $500 or $5 million, fill in the coupon below and send it today with $7.50 for an 8 week trial of Dow Theory Forecasts. Money-back guarantee. Offer open to households with no trial subscription in the past 12 months. (Subscription cannot be assigned without your consent.)

$32.56 Value Only $7.50

DOW THEORY FORECASTS, INC. Dept. NYTI 2-22
Gr. Cent. Sta., P.O.B. 5110 New York, NY 10163-5110 (6053-264-13-21)
NAME ____
ADDRESS ____
CITY ____ STATE ____ ZIP ____
( ) Check here for 1986 OUTLOOK plus list of 12 Discount Brokers with reduced rates saving up to 80% on brokerage commissions.

Friday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

(Continued from Page 10)

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
55¾	50	Nwst pf	5.47e	10.4		3	52¾	52¾	52¾	+ ¼
35	23⅝	Novo	.26e	.9	13	363	30⅛	29¾	30⅛	+ ¼
59⅞	32	Nucor	.40	.7	14	405	57¼	56½	56⅞	+ ⅝
5⅝	3	NutriS	.08i			201	5⅝	5⅝	5⅝	+ ⅛
105⅞	77⅛	NYNEX	6.40	6.1	10	1953	105	103⅝	105	+1
		O								
3	1½	Oakind				1243	1⅜	1⅜	1⅜	
36½	27⅝	OakiteP	1.52	5.3	11	30	28½	28	28½	+ ⅜
36¾	25⅝	OcciPet	2.50	9.7	6	11992	25⅝	25	25⅝	+ ½
15⅝	9⅝	OccIP wt				1	10⅛	10½	10½	+ ⅛
26⅛	20⅝	OccIP pf	2.50	10.3		6	24½	24¼	24⅝	+ ⅜
23	17½	OccIP pf	2.12	9.8		4	21⅝	21⅝	21⅝	
24⅝	18⅝	OccIP pf	2.30	10.0		48	23	22⅞	23	+ ½
59½	48⅝	OccIP pf	6.25	11.6		1376	54½	53⅝	54	
110⅝	103⅛	Occi pf	14.62	13.7		7	106½	106½	106½	— ¼
121½	106½	OccIP pf	14.00	11.3		60z	124	122½	124	+2½
27⅝	13⅛	ODECO	1.00	7.1	22	640	14⅝	14	14	— ½
34⅝	26½	Ogden	1.80	6.1		1641	30	28¼	29¾	+1⅝
18½	13⅝	OhioEd	1.92	10.4	6	6121	18⅛	18⅛	18½	+ ¼
39	31½	OhEd pf	4.40	11.0		300z	40	37½	40	+2
41	32	OhEd pf	4.56	11.4		100z	40	40	40	+1
64½	49	OhEd pf	7.24	11.3		800z	64	62½	64	+1
67½	50½	OhEd pf	7.36	11.1		810z	66½	65½	66¼	— ¼
28	25¼	OhEd pf	1.39e	5.3		161	26	26	26	
73	56½	OhEd pf	8.20	11.3		1580z	73½	69½	72¼	— ¼
37⅞	29¾	OhEd pf	2.81e	7.5		280	37⅝	37⅛	37⅝	+ ⅜
30¼	24⅝	OhEd pf	3.50	11.7		9	30	29⅝	29⅝	+ ¼
33	27⅝	OhEd pr	3.92	12.1		50	32½	31¾	32½	
17⅝	14⅜	OhEd pf	1.80	9.9		10	18¼	18	18¼	+ ½
75	59½	OhEd pf	8.64	11.5		700z	76	75	75	
[illegible]										
54¾	25¾	OvrnTr	.30	1.5	19	751	54⅛	52⅞	53½	—1
27⅝	27½	OvnT wi				2	26⅝	26⅝	26⅝	— ¾
20⅝	13	OvShip	.50	2.5	17	330	20⅝	19⅞	20¼	+ ⅜
42¼	30¾	OwenC	1.40	3.3	10	1600	42½	41⅝	42⅛	
62	39⅝	OwenIll	1.80	2.8	12	2921	64⅛	61¼	64¼	+3¼
76	75	OwnIl pf	4.00	5.2		2	76¼	76¼	76¼	+ ¼
185	120½	OwnIl pf	4.75	2.6		1	185	185	185	+3⅝
17½	11	Oxford	.46	2.8	29	147	17	16⅝	16½	— ¼
		P								
41	28¼	PHH	1.00	2.9	13	1753	38¼	34	34¼	—4¼
59⅝	34½	PPG	1.76	3.0	13	1479	58½	57	58⅝	+ ⅝
31½	20¾	PSA	.60	2.2	7	416	28	27⅛	27⅛	— ½
23½	18½	PSA dpf	1.90	9.0		21	21¼	21⅛	21⅛	
15½	12⅝	PacAS	1.54	9.9		36	15½	15¼	15½	
22	16⅝	PacGE	1.84	8.3	8	4005	22⅝	22	22⅝	+ ⅛

[illegible]

		Z								
37	26	ZaleCp	1.32	3.7	14	484	35⅞	[illegible]	35⅞	[illegible]
38½	29⅝	ZalepfA	.80	2.9		1	[illegible]	[illegible]	[illegible]	[illegible]
16⅛	3½	Zapata	.05i		27	975	[illegible]	[illegible]	[illegible]	[illegible]
64⅜	40⅝	Zayre s	.40	.7	19	460	[illegible]	[illegible]	64⅝	
24¼	16¾	ZenithE			100	6172	22⅝	21½	22	[illegible]
20⅝	9¼	ZenLbs	.10i	.4	20	2230	24⅝	23¼	23⅝	[illegible]
25	17¼	Zero s	.36	1.6	19	258	23¼	24½	24⅝	[illegible]
18⅛	13⅛	Zero wi				8	20½	20⅛	20⅝	[illegible]
42⅝	26⅝	Zurnin	1.32	3.1	16	160	42⅝	42½	42	[illegible]

U.S. Futures

Via The Associated Press

Feb. 21

Grains

WHEAT (CBT)

5,000 bu minimum-dollars per bushel

Season High	Season Low		Open	High	Low	Close	Chg.
3.74½	2.87	Mar	3.32½	3.35	3.29½	3.33¾	+.03
4.02	2.74	May	2.75	2.80¾	2.74½	2.78	+.03
3.72½	2.54½	Jul	2.54¾	2.56¾	2.54½	[illegible]	[illegible]
3.45	2.58½	Sep	2.59¼	2.60½	2.58¾	2.59	+.00½
3.08¾	2.69¼	Dec	2.69¾	2.71½	2.69¾	2.70	
3.52	2.74½	Mar	2.76	2.76	2.75	2.75	+.00½

Est. Sales Prev. Sales 6,791

Prev. Day Open Int. 31,255 up 421

CORN (CBT)

5,000 bu minimum-dollars per bushel

Season High	Season Low		Open	High	Low	Close	Chg.
2.97	2.24½	Mar	2.38	2.39¼	2.37½	2.39	+.00¾
2.91¼	2.31	May	2.35	2.36¾	2.35	2.36	—.00¾
2.86	2.30	Jul	2.31¾	2.33	2.31¼	2.32	—.00¼
2.70	2.13	Sep	2.11¾	2.13½	2.11¼	2.12¾	+.00½
2.35½	2.04½	Dec	2.06¼	2.08¼	2.05¾	2.07½	+.01¼
2.74¾	2.14	Mar	2.14½	2.16¼	2.14½	2.15½	+.01
2.42	2.18	May	2.20	2.20	2.18½	2.18½	+.00¼

Est. Sales Prev. Sales 20,615

Prev. Day Open Int. 111,230 off 389

SOYBEANS (CBT)

5,000 bu minimum-dollars per bushel

Season High	Season Low		Open	High	Low	Close	Chg.
6.51	4.85¼	Mar	5.19	5.25¼	5.18½	5.24¾	+.06
6.67	4.89	May	5.26½	5.30	5.24¾	5.29½	+.04¼
6.08	4.97	Jul	5.30	5.34½	5.31½	5.35½	+.03¼
6.74	4.98½	Aug	5.31	5.34	5.30¾	5.33¾	+.03¾
6.28	4.96	Sep	5.14½	5.16½	5.14	5.16	+.02¾
6.32	4.98	Nov	5.10	5.11	5.07½	5.10¼	+.02
5.45	5.09	Jan	5.18	5.20½	5.18	5.20½	+.02¾
6.37½	5.19½	Mar	[illegible]	[illegible]	[illegible]	5.31¼	+.02½
5.56	5.36	May	5.39	5.39	5.31½	5.39	+.03

Est. Sales Prev. Sales 22,400

Prev. Day Open Int. 74,868 up 2,326

SOYBEAN MEAL (CBT)

100 tons-dollars per ton

[illegible]

Livestock

[illegible]

Currency Options

[illegible]

Food

[illegible]

Metals

[illegible]

Industrials

[illegible]

Stock Indexes

[illegible]

NYSE COMP. INDEX (NYFE)

points and cents

Season High	Season Low		Open	High	Low	Close	Chg.
129.30	105.50	Mar	129.80	130.40	127.20	129.75	+.58
131.80	106.90	Jun	131.40	132.20	130.58	131.50	+1.00
132.70	108.10	Sep	133.10	133.55	132.70	133.05	+1.00
134.20	121.10	Dec	134.20	134.20	134.20	134.60	+.80

Est. Sales 17,375 Prev. Sales 13,824

Prev. Day Open Int. 12,765 off 512

MAJOR MKT INDEX (CBT)

points and eighths

Season High	Season Low		Open	High	Low	Close	Chg.
309	273⅝	Feb	310⅝	312⅛	309⅝	311⅛	+2⅝
310⅝	271	Mar	311⅛	313⅜	310½	312⅝	+2⅝
311½	280	Apr	310	313⅝	313	313⅝	+3½

Est. Sales Prev. Sales 271

Prev. Day Open Int. 338 off 5,240

Commodity Indexes

	Close	Previous
Moody's	968.40 f	962.80 f
Reuters	N.A.	1,806.50
D.J. Futures	132.74	131.67
Com. Research Bureau	211.70	211.00

Moody's : base 100 : Dec. 31, 1931.
p - preliminary; f - final
Reuters : base 100 : Sep. 18, 1931.
Dow Jones : base 100 : Dec. 31, 1974.

Financial

[illegible]

Paris Commodities

[illegible]

London Commodities

[illegible]

Asian Commodities

[illegible]

KUALA LUMPUR PALM OIL

Malaysian ringgits per 25 tons

Volume: 49 lots of 25 tons.

Source: Reuters.

London Metals

[illegible]

Seize the world.

The International Herald Tribune.
Bringing the World's Most
Important News to the World's
Most Important Audience.

Singapore Approves Austerity Measures

Agence France-Presse

SINGAPORE — As expected, President Wee Kim Wee Thursday gave the government's formal approval to a series of austerity measures aimed at pulling Singapore out of its economic slump.

In an address to parliament — his first since becoming president in September — Mr. Wee said policy recommendations made earlier this month by a government-appointed economic committee, including proposals for severe wage restraints and tax cuts favoring business, had been accepted in principle.

"It will take 18 months if we are lucky, longer if we are not, for results to show," Mr. Wee said in his address at the opening the second session of Singapore's sixth parliament.

Critics of the committee's proposals have said they favor business at the expense of individuals.

The chairman of the committee was Brigadier General Lee Hsien Loong — elder son of Prime Minister Lee Kuan Yew — who was promoted to acting minister for trade and industry last week.

Mr. Wee said 1985 had shown the "dangers of an economy that is overwhelmingly dependent on international trade," and warned: "We must never price ourselves out of the market."

Dividends

Feb. 21

Company	Per	Amt	Pay	Rec
INCREASED				
Land of Lincoln S&L	Q	.10	4-8	3-21
Olsten Corp	Q	.07½	3-17	3-4
INITIAL				
AmSouth Bancorp	Q	.26	4-1	3-14
PROPOSED STOCK SPLIT				
Willamette Industries — 5-for-3				
STOCK SPLIT				
Millipore Corp — 2-for-1				
USUAL				
Addi.-Wesley Pb cl-B	Q	.38	3-31	3-10
Champion Intl	Q	.12	4-10	3-17
Commonwealth Ed.	Q	.75	5-1	3-27
Delfrex Chem Indus	Q	.30	3-31	3-14
Dougherty's Fds Inc	Q	.03	4-1	3-11
Elco Industries	Q	.20	3-17	3-4
Federal Pioneer Ltd	Q	.13	5-1	3-3
Federal Screw Wks	Q	.10	4-1	3-14
General Bancshares	Q	.25	4-1	3-21
Huntington Bncshrs	Q	.21	4-1	3-10
Illinois Power Co	Q	.64	5-1	4-10
Imperial Oil cl-A	Q	.40	4-1	3-3
Lamaur Inc	Q	.05	3-19	3-5
Loctite Corp	Q	.20	4-1	3-7
Marine Corp	Q	.35	4-1	3-5
Marshall & Ilsley	Q	.36	3-14	2-28
Millipore Corp	Q	.12	4-2	3-28
National Intergroup	Q	.06¼	4-28	4-1
N York Times cl-A	Q	.15	3-26	3-5
Oriole Homes cl-A	Q	.07½	4-7	3-17
Oriole Homes cl-B	Q	.10	4-7	3-17
Pacific Gas & Elec	Q	.46	4-15	3-17
Ransburg Corp	Q	.18	4-10	3-3
Ruddick Corp	Q	.14	4-1	3-14
Stanadyne Inc	Q	.27	4-1	3-15
Tennant Co	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				

Source: UPI.

Cash Prices

Feb. 21.

Commodity and Unit	Fri	Year Ago
Coffee 4 Santos, lb	2.30	2.48
Printcloth 64/30 38 ½, yd	0.66	0.78
Steel billets (Pitt.), ton	473.00	473.00
Iron 2 Fdry. Phila., ton	213.00	213.00
Steel scrap No 1 hvy Pitt.	73-74	79-80
Lead Spot, lb	17-19	18-21
Copper elect., lb	68-71	67-70
Tin (Straits), lb	[illegible]	[illegible]
Zinc, E. St. L. Basis, lb	0.35	0.45
Palladium, oz	94-97	[illegible]
Silver N.Y., oz	5.86	6.04

Source: AP; *the spot price from New York.

U.S. Treasuries

Feb. 21

	Discount Offer	Bid	Yield	Prev. Yield
3-month bill	6.96	6.92	7.31	7.27
6-month bill	7.06	7.08	7.42	7.51
1-year bill	7.04	7.00	7.56	7.4

	Bid	Offer	Yield	Prev. Yield
30-yr. bond	105 25/32	105 27/32	8.75	8.86

Source: Salomon Brothers.

Merrill Lynch Treasury index: 142.28

Change for the day: + 1.15

Average yield: 8.39 %

Source: Merrill Lynch.

S&P 100 Index Options

[illegible]

DM Futures Options

W. German Mark-125,000 marks, cents per mark

Feb. 21

Strike Price	Calls-Settle Mar	Calls-Settle Jun	Calls-Settle Sep	Puts-Settle Mar	Puts-Settle Jun	Puts-Settle Sep
42	1.59	2.20	2.85	0.06	0.46	0.78
43	0.75	1.64	2.24	0.22	0.77	1.04
44	0.24	1.12	1.71	0.71	1.20	1.47
45	0.06	0.75	1.27	—	1.84	1.99

Estimated total vol. 6,463

Calls: Thur. vol. 4,651 open int. 56,399

Puts : Thur. vol. 9,485 open int. 81,523

Source: CME.

Cititrust Can Operate in Japan

Agence France-Presse

TOKYO — The Finance Ministry officially allowed Cititrust & Banking Corp. of the United States to do trust business in this country on Friday, ministry officials said. Union Bank of Switzerland, Swiss Credit Bank and Chemical Bank of the United States were given similar permission earlier this week.

صحكا من الاجل

BUSINESS ROUNDUP

VW's Board Approves Purchase of SEAT Stake

Reuters

WOLFSBURG, West Germany — Volkswagen AG said Friday that its supervisory board approved the company's purchase of a majority stake in the Spanish state-owned automaker, SEAT SA.

It said VW would take an initial stake of 51 percent and has the option to buy a further 24 percent this year. It would take full control by 1990.

The company said the supervisory board empowered VW's managing board to bring to a close negotiations on the takeover with SEAT's present majority shareholder, the state-holding company INI.

A VW spokesman said VW would pay around 650 million Deutsche marks ($282 million) for 51 percent of SEAT's capital. Under the takeover agreement, INI will increase SEAT's capital to 80 billion pesetas ($549 million) from 22.6 billion pesetas when the purchase has been signed.

The Spanish government also agreed in December to a $1.1-billion aid package for SEAT. VW had insisted on the package as a condition for acquiring its stake in the company.

The VW spokesman said 5 billion DM would be invested in SEAT over the next five years, to be financed by SEAT itself.

SEAT reported a loss of $231 million for 1984, with a similar result expected last year.

The final contract should be signed in April or May this year and would take effect after approval from state authorities, VW said.

The negotiations started early last year.

VW shares rose 3 DM on the Frankfurt Stock Exchange Friday, to close at 522 DM.

VW said the purchase and planned strengthening of the SEAT marque would bolster and expand the VW/Audi AG group's position as European car market leader, gained last year.

VW sold more than 1.3 million cars in Europe last year, gaining a 12.9-percent share of the market. SEAT sold around 153,000 cars in Europe and had a 1.5-percent market share.

VW said it plans to raise SEAT's production to around 400,000 vehicles a year from the beginning of the 1990s, with around 270,000 of them SEAT models and 130,000 VW cars.

SEAT's output totaled around 320,000 last year, including 95,000 VW Polo and Passat models assembled under license.

Spanish trade union sources said last year that SEAT workers had agreed to 4,500 job cuts sought by VW in exchange for a $1.9-billion outlay by VW to upgrade and expand the automaker's production facilities.

The Spanish-based assembly is part of a 1982 agreement between SEAT and VW under which SEAT also has sole distribution rights for VW and Audi models in Spain.

More than two-thirds of the Polos are exported to European markets outside West Germany, while the Passat station wagons are sold in Spain.

British Telecom Will Proceed on Mitel Venture

Compiled by Our Staff From Dispatches

LONDON — British Telecommunications PLC can proceed with the acquisition of 51 percent of Mitel Corp., the Canadian maker of telephone switching equipment, the Department of Trade and Industry said Friday.

The purchase will give British Telecom a North American toehold, from which it hopes to expand into the United States.

Last month, the British government had said the purchase could go ahead if specific limits were placed on the marketing of Mitel products in Britain. The department said Friday that British Telecom had given the government an acceptable commitment on this point.

A spokesman said the company hoped soon to complete the purchase of 40 million new Mitel shares for 320 million Canadian dollars ($230 million). British Telecom and Mitel have been in negotiation since early 1985. The transaction was referred to the British Monopolies Commission last June.

Investment Canada, the agency that monitors foreign takeovers and acquisitions, is expected to approve the sale.

Mitel, based in Kanata, Ontario, has lost 110 million Canadian dollars in the past three years in its efforts to sell private branch exchanges, or PBXs.

(Reuters, AP)

Daimler-Benz Reports Record Profit, Revenue

Reuters

STUTTGART — Daimler-Benz AG, the maker of Mercedes cars and trucks, said in an interim report to shareholders Friday that it had record profits, turnover and production for last year and that it saw good prospects for 1986.

Daimler, whose takeover of electricals group AEG AG this month made it West Germany's biggest industrial conglomerate, said worldwide turnover in 1985 rose 19 percent, to 51.9 billion Deutsche marks ($22.5 billion at current rates) as demand for its prestige cars boomed at home and abroad.

Aided by the strong expansion of its car business, a 10-percent rise in U.S. sales and the dollar's strength last year, Daimler said, worldwide profits topped the record 1.1 billion DM made in 1984. It gave no specific figure.

Car production, hit a year earlier by labor unrest, increased by 13 percent, to more than 541,000, and commercial vehicle output by 4 percent, to 220,200, the company said.

Just under 3 billion DM of the 8.4-billion DM increase in last year's worldwide turnover resulted from Daimler's takeovers of engine-maker MTU GmbH and the aerospace and research group, Dornier GmbH. The acquisitions were the first moves in a strategy of high-technology diversification that was continued with the purchase of a majority stake in AEG.

Daimler said that it also achieved high growth rates in France, Britain and Italy.

At home, Daimler said new car registrations rose 17.9 percent, to 265,600. Market share increased to 11.6 percent from 9.8 percent a year earlier as it encountered strong demand for all three model classes.

It described 1985 as a very successful year for Mercedes cars, with domestic and foreign demand for all classes exceeding production. The export share of car sales slipped to 51.4 percent from 52.5 percent, putting it more than 10 percentage points below the German car industry average.

The biggest increase in car production was of its newly-modernized medium-class range, where output rose 23.5 percent, to 220,339, making it the most-produced range last year.

In the commercial vehicles sector, worldwide production rose 4.4 percent, to 220,213, with domestic output virtually unchanged at 143,387. But foreign production rose 13 percent, to 70,500.

The Mercedes-Benz do Brasil subsidiary increased production 13 percent to 33,000 trucks and buses but commercial vehicle output at Mercedes-Benz Argentina dropped 24 percent to 3,200.

The U.S. subsidiary Freightliner boosted heavy truck production 5 percent, to 21,600, and the Spanish unit, Mercedes-Benz España, increased van output by one-third to 10,900.

COMPANY NOTES

AB Astra has proposed a 226-million-kronor ($30.9 million) bonus issue under which one new share will be issued for every three old shares held. The pharmaceuticals group also said it expected to show an 11-percent improvement in sales and profit in 1986.

Banque Paribas, the French state-owned banking group, said it planned to raise 320 million francs ($45.26 million) in capital by issuing 3.2 million privileged investment certificates. The non-voting 100-franc certificates will be issued March 3 at 625 francs to raise 2 billion francs, company officials said.

Canterra Energy Ltd. of Canada said earnings rose 109 percent, to 86.9 million Canadian dollars ($62.5 million) in 1985, reflecting higher sulphur sales and prices and improved oil netbacks. Canterra said it probably would decrease capital expenditures from last year's 213.9 million dollars because of oil price uncertainty.

Compagnie Industriali Riunite, an Italian industrial finance company, said it acquired a 19-percent stake in the French car components group Valeo. CIR declined to say how much it paid for the stake.

FMC Corp., a Chicago-based machinery and chemicals concern, said that its board was considering a recapitalization plan that would maintain it as a public company. The company was discounting rumors in Chicago financial circles of a possible outside takeover or leveraged buyout by FMC officials.

International Business Machines Corp. said that most equipment rental rates and some contract maintenance charges would be raised by about 8 percent beginning June 1. Per-call maintenance rates were increased about 15 percent, effective immediately, IBM said.

Jim Walter Corp., a Florida-based builder, said its board approved a five-for-four split of the company's common shares in the form of a 25-percent stock dividend payable April 14 to holders of record on March 12. It also declared a regular quarterly cash dividend of 35 cents, unchanged from the last payout.

Koyo Seiko Co., a major Japanese bearing maker, said it had agreed AB SKF, Sweden's top bearing producer, to form an equally owned joint venture next month in Tokyo. The new company, AEC Japan Co., will be capitalized at 40 billion yen ($222 million) and produce bearing units developed by SKF.

Loews Corp. of New York said it filed a registration statement with the U.S. Securities and Exchange Commission for the sale of 4.5 million common shares by the chairman, Laurence A. Tisch, the president, Preston R. Tisch, and the Tisch Foundation. After the sale, the two men will own 24 percent of Loew's outstanding shares.

Midlantic Banks Inc., a multibank holding company, said it has reached a definitive agreement with Continental Bancorp Inc. to form a new regional bank holding company with more than $15 billion in assets. The merger was valued at $680 million by Midlantic.

Phillips Petroleum Co. said it planned to drastically cut spending on oil exploration and production projects this year as part of a $400-million reduction in its planned budget. It said a $1-billion capital spending budget has been approved, down from the $1.4 billion previously planned.

Union Bank of Switzerland said it had received official approval to open a merchant bank in Australia. Since 1969, UBS has had a representative office in Sydney that deals mainly in project finance.

Union Carbide Corp. said it plans to issue rights to stockholders to share in the proceeds of the sale of its consumer products division, which it anticipates may not soon be finalized. A Carbide spokesman said if the division is not sold by the March 3 distribution date, stockholders will hold the rights until the transaction is completed.

U.K. to Review Rival Bids for BL

Reuters

LONDON — The government has set up a committee to review rival bids for state-controlled BL PLC, officials said Friday.

The committee, to be chaired by Prime Minister Margaret Thatcher, was formed after parliamentarians attacked government plans to sell BL's truck and Land Rover divisions to General Motors Corp.

Several groups are bidding to take over different parts of the unprofitable company.

RESERVE
INSURED DEPOSITS TRUST

RES IN DEP
An Account for the Cautious Investor to Protect and Increase Capital

U.S. Dollar Denominated
Insured by U.S. Govt. Entities
Important Tax Advantages
Competitive
Money Market Yields
No Market Risk
Immediate Liquidity
Absolute Confidentiality

CHEMICAL BANK, New York
Custodian

CAYMAN NATIONAL BANK AND TRUST
Registrar

RES IN DEP
Case Postale 93
1211 Geneva 25, Switzerland

Please send prospectus and account application to:

Name ________

Address ________

Not available within the U.S.A.

Treasury, Fed Differ More In Emphasis Than Substance

(Continued from Page 11)

tions of administration monetarists", led by Beryl W. Sprinkel, chairman of the Council of Economic Advisers.

Instead, the Fed is holding its ground, the result of all the conflicting policy forces and economic pressures around it.

The clash in views between Mr. Baker and Mr. Volcker may be more nominal than real, more short-run than long-run. After Mr. Volcker's congressional testimony this week, Mr. Baker said the administration and the Fed agreed that it would be desirable if interest rates moved down but "not at the cost of higher inflation."

Likewise, in a fundamental and longer-term sense, it is unlikely that Mr. Baker and Mr. Volcker have split in their aim of moving the dollar lower. The analyses of economists at both the Treasury and the Fed — and among a wide range of private economists — indicate that the dollar is still overvalued and is hurting the U.S. trade position. As of the beginning of February, the dollar was still 39 percent above its 1980 level, according to the Federal Reserve Board's calculations, and 25 percent above the 1980 level, according to those of Morgan Guaranty Trust Co.

Despite differences in emphasis among administration and Fed policy-makers, it appears likely that the dollar will continue to decline in this congressional election year, interest rates will edge downward, the budget deficit will start to narrow, the Fed will stay cautiously accommodative, the economy will expand at a pretty good clip and, with the help of lower oil prices, inflation will move up only slowly.

U.S. Contractors Compete to Build $50-Billion Super-Fighter

(Continued from Page 11)

significant money is spent on the Advanced Tactical Fighter before 1995," said Judith L. Comeau, an aerospace analyst at Goldman, Sachs & Co. New programs are particularly vulnerable to cancellation or postponement.

The fighter is intended to be a single-person plane that could engage enemy forces far from the scene of a battle, according to Colonel Albert C. Piccirillo, director of the U.S. Air Force program that is overseeing the plane's development.

He said the offensive capabilities of the plane would be stressed, so that it could destroy an enemy airfield or communications and radar systems. Its range is classified, but Colonel Piccirillo said it would be adequate to fly combat missions to West Germany from Britain.

The plane would respond to some voice commands and cruise at about twice the speed of sound, with top speed about 2½ times the speed of sound.

Made largely of composite materials, or reinforced plastic, to save weight and fuel, it would incorporate "stealth" technology to make it much less visible to enemy radar.

The plane would replace the F-15 at bases around the world. While the F-15 can also reach twice the speed of sound, its engine consumes too much fuel to sustain that speed for very long. The F-15 has a maximum sustainable cruising speed of less than half what the new plane would be capable of, Colonel Piccirillo said.

Furthermore, while the F-15 sometimes needs up to 8,000 feet (2,440 meters) of runway to land, particularly in wet or icy weather, the advanced tactical fighter is supposed to require just 1,500 feet or less.

The ATF would also have greater capabilities than the F-16 fighters that the air force is buying this year from General Dynamics and the F-20 that Northrop would like to start producing for the air force.

The F-16 is a short-range fighter designed in large part to hit ground targets near a battle. The F-20, another short-range fighter, is competing with the F-16 for a 300-plane order from the air force later this year. Northrop continues to produce small numbers of its F-5 fighter for training exercises for both the navy and the air force.

Most experts say that the ATF appears to be technically feasible, but that its cost may be prohibitive. The air force is aiming to build 750 of the planes for $35 million each, or a total of $26.3 billion. But the program's total cost — including developing flight simulators, training maintenance crews and supplying spare parts — could amount to $40 billion to $50 billion, Colonel Piccirillo said.

By the end of the summer, the air force will prune the ranks of the competitors to between two and four companies, each of which will receive about $100 million for further design studies. Final selection of a single contractor, or a team of contractors, is expected in 1989.

Each of the companies has its strengths in the competition. McDonnell Douglas has experience as builder of both the F-15 and the F-18, a medium-range fighter used by the U.S. Navy. General Dynamics produces the F-16. Grumman makes the F-14, a long-range fighter used by the navy. And Lockheed reportedly has built a small number of Stealth aircraft, dubbed the F-19, although neither Lockheed nor the government will acknowledge that they exist.

"They all have excellent credentials," said Robert D. Kugel, an aerospace analyst at Morgan Stanley & Co. "It's tough at this stage to pick the right horse."

While the seven companies compete for design contracts, General Electric Co. and Pratt & Whitney, a subsidiary of United Technologies Corp., are jointly working on engines for the fighter.

While most existing airframes are built of aluminum alloys, the ATF would be constructed largely of composite materials, according to Mr. Mullin of Lockheed.

OBLI-DM
10A, Boulevard Royal - Luxembourg

NOTICE OF ISSUE OF FREE SHARES

The Board of Directors of Gestion Obli-DM S.A. have decided to distribute the income received during the financial year to 31st December 1985 by assigning to shareholders one free new share for every 16 shares held on the 13th of February 1986.

These new shares will be assigned, without charge, on the 13th March 1986 against delivery of the coupon No. 5 to Banque Paribas (Luxembourg) S.A., 10A, Boulevard Royal, Luxembourg.

The shareholders have the option of rounding up or down the number of new shares that will be assigned to them.

The instructions from shareholders must arrive at Banque Paribas (Luxembourg) S.A. on the 12th March 1986 at the latest. The balance resulting from the rounding up or down will be settled on the 20th March 1986 on the basis of the net asset value calculated on the 13th March 1986.

Free shares not allocated by the 13th March 1986 will be sold at the net asset value on this same date. The proceeds of sale will be delivered to the holders of No. 5 coupons presenting themselves after that date in proportion to their rights.

The proceeds of the sale not claimed within 5 years of the precited date will lapse and revert to the Fund.

Luxembourg, 4th February 1986 Gestion OBLI-DM S.A.

INTERNATIONAL CLASSIFIED

(Continued From Back Page)

AUTOS TAX FREE

US AUTOMOBILES EXTRAORDINAIRES
NEW 1986 CARS IN STOCK
3 CORVETTES
2 CADILLAC FLEETWOODS
1 CADILLAC SEVILLE
2 CADILLAC ELDORADOS
1 EXCALIBUR
Monte Carlo, Monaco 93 25 74 79
Tlx: 479550 AUTO MC
(Open Saturdays)

TRANSCO
THE LARGEST SHOWROOM AND STOCK IN EUROPE
Keeping a constant stock of more than 300 brand new cars of all European + Japanese makes competively priced. Tax free sales-shipping insurance. Send for multicolor free catalogue. Transco SA, 95 Noorderlaan, 2030 Antwerp, Belgium Tel 323/542 6240 Tx 35207 Trans

DAWAJI TRADE
INT'L DELIVERY
We keep a large stock of most car brands
Tel: 02/648 55 13
Telex 65658
42 rue Lens,
1050 Brussels.

FROM STOCK
Mercedes 500 SL, new, white
Mercedes 300 SD, 1983, 3200 KM, red other makes and models upon request. Same day registration possible.
ICZKOVITS
Claridenstrasse 36, CH-8027 Zurich Tel: 01/202 76 10. Telex: 815915.

AUTOS TAX FREE

OCEANWIDE MOTORS GmbH
Since 1972, experienced car trader for Mercedes, Porsche, BMW, Jaguar. Immediate delivery. Import/export, U.S. DOT & EPA, shipping for tourist and dealer. Oceanwide Motors GmbH, Tersteegenstr. 8, 4 Duesseldorf, W. Germany (0) 211-434646, tlx 8587374.

NEW MERCEDES
PORSCHE FROM STOCK
Best service, shipping, insurance,
RUTE INC.
TAUNUSSTR. 52, 6000 FRANKFURT W Germ., tel (069)-232351, tlx 411559

RG TEAM
Offers tax free cars, exotics and classics, all makes. New & used. PO Box 2050, 4800 CB, BREDA / Holland. Tel (0) 76-651550 Tlx: 74282

20 YEARS AUTO-GRANER
POB 2022, 7900 Ulm, W. Germany Reliable German car dealer offers new Mercedes, BMW, Porsche, Ferrari. Tel: (0) 731-60033, tlx 712861 AUTEX

TAX Free cars, all makes & models. ATK, NV, Ankerrui 22, 2000 Antwerp, Belgium. Tel 03/231 16 53 Tx 31535

AUTOS TAX FREE

HOW TO GET A BRAND NEW GERMAN CAR IN SHORTEST TIME. Contact our office in Munich: Liebhaber High Performance Cars. Tlx 5214751 Tel 89-1299068 We sell new MERCEDES, BMW, Porsche, Ferrari and other makes.

NEW CARS - FROM STOCK
'86 Audi 5000S, US-specifications Beige metallic/brown cloth, DM40,265. '86 Porsche 944 Turbo, fully loaded red/black leather, DM61,315. Sigel Automobile, tlx: 729 995 Sigel D Tel: (7121) 76028 West Germany

PORSCHE 944 Mid-1984 metallic Burgundy 27,500 km for export. Best offer. Call Brussels 02/6541374

HEALTH SERVICES

EXPATS - WORKING OVERSEAS, medical insurance - unlimited cover, permanent health insurance - to protect income in the event of illness, accidents. Details from: Anderson, PO Box 6, Ramsey, Isle of Man.

LEGAL SERVICES

IMMIGRATION & BUSINESS VISAS to USA. Richard S. Goldstein, Esq. will be available for consultations in London from Feb. 17 to Feb. 28. Call for appointments in London 01-278-8291. Richard S. Goldstein, Esq., 63 Wall Street, NY, NY 10005. Tel: 212-925-8580. Tlx: 661199.

YOUNG MAN 35, excellent kinestherapist seeks clientele in private homes, very good references, western Paris & suburbs preferred. 39 76 59 18 a.m.

LEGAL SERVICES

US IMMIGRATION visas, Atty. Planas 868 Union St., San Diego, CA 92101 (619) 233-8420, tx 695202HQSDG.

US IMMIGRATION visas, Attys. Spillios & Rodney, 1925 Brickell Av, Miami FL 33129. Tel: (305) 6439600, tx 441469.

LOW COST FLIGHTS

TO NY $195 1 way, $368 return, fixed date. West coast daily departure $295 1 way, $569 return. Many other gateways available. ITS, 103 rue La Boetie, Paris 8. Metro FDR. 4225 9290

HOLIDAYS & TRAVEL

GHIOLMAN YACHTS Travel. 7, Filellinon, Athens. Tel 3230330, tlx 216034

HELLAS YACHTING. Yacht Charters. Academias 28, Athens 10671, Greece.

HOTELS
SWITZERLAND

GENEVA
RESIDENCE DE FRANCE
4 Ave. de France, CH-1202 Geneva
Tel: 0041 22/31 14 79
Beautiful, first class, air-conditioned, residential furnished apartments and studios. Fully equipped kitchen, daily maid service.
Daily and monthly rates.
Excellent location.

WINES & SPIRITS

FOR COLLECTORS. 1 bottle Château Lafite Rothschild 1872. Label & cork perfectly readable. Tel: 34 87 62 36 France.

RESTAURANTS NIGHT CLUBS
SWITZERLAND

AU VIEUX CAVEAU - PULLY. Superb Swiss style gourmet dining, bar, dancing, banquets and private parties. Summer terrace. Let the family Moret serve you at the beautiful Au Vieux Caveau, 11 rue de la Gare, 1009 Pully/Lausanne. 021 / 28 27 49

ARTS

PAUL GAUGUIN (in the manner of). Unique opportunity - private owner sells 55 paintings (Polynesian Period) by Scopes - Call Paris (1) 45.54.07.86 or write Box 3247, Herald Tribune, 92521 Neuilly Cedex, France

SET OF 3 framed in oak Rosa Bonheur Prints include Horse Fair signed & dated 1880. G. Mulholland, 196 Duffield St., Bklyn, NY 11201 USA.

BOOKS

BRITISH BOOKSHOP, FRANKFURT offers a wide selection of British / American books (also children's), British tourist publications. Mail order service-Germany only. Tel 069-280492, Boersenstr 17, 6000 Frankfurt/M1

EDUCATION

SAINT MARY'S HALL
Independent college-prep school, 750 students, grades K-12; 100 girls, boarding program, grades 8-12. Advance placement 11 academic areas. Contact Julie Buehler, Box 33430, San Antonio, TX 78233, phone (512) 655-7721.

SMALL PRIVATE INTERNATIONAL U.S. Boarding School in Norfolk, England. Rolling admissions-students 12-18+. Totally tutorial. Teacher-student ratio 1:4. Call Headmaster 0362 87248. Tlx 975641. Thomas Charles International Academy.

BRITISH DEGREES INCLUDING Higher Doctorates in most subjects. For a prospectus send $8 to: Somerset University, Ilminster, Somerset, TA19 0BQ, England.

ESCORTS & GUIDES

INTERNATIONAL
ESCORT
SERVICE
USA & WORLDWIDE
Head office in New York
330 W. 56th St., N.Y.C. 10019 USA
212-765-7896
212-765-7754
MAJOR CREDIT CARDS AND CHECKS ACCEPTED
No Memberships Available
This award-winning service has been featured as the top & most exclusive Escort Service by USA & international news media including radio and TV.

LONDON
KENSINGTON
ESCORT SERVICE
10 KENSINGTON CHURCH ST, W8
TEL: 937 9136 OR 937 9133
All major credit cards accepted.

CHARLIES ANGELS
ESCORT SERVICE
FROM NOON TILL MIDNIGHT
(0) 10 - 524235

CAPRICE-NY
ESCORT SERVICE IN NEW YORK
TEL: 212-737 3291.

ROME CLUB EUROPE ESCORT & Guide Service. Tel: 06/589 2604- 589 1146 (from 4 pm to 10 pm)

ESCORTS & GUIDES

* LONDON *
EXECUTIVE ESCORT SERVICE
402 7600 or 499 2225

LONDON
BELGRAVIA
Escort Service.
Tel: 736 5877.

ARISTOCATS
London Escort Service
128 Wigmore St., London W.1.
All major Credit Cards Accepted
Tel: 437 47 41 / 4742
12 noon - midnight

MADRID
SHADOWS ESCORT SERVICE
Credit cards. 2508019 - 2509603

GENEVA-ZURICH
GINGER'S ESCORT SERVICE.
TEL: 022/34 41 86 - 01/363 0864

ZURICH
JACQUELINE ESCORT & GUIDE SERVICE. TEL: 01/ 69 55 04

** GENEVA-FIRST **
Escort Service. Tel: 022/49 65 10
+ WEEKEND + SKI

ESCORTS & GUIDES

LONDON
Portman Escort Agency
67 Chiltern Street,
London W1
Tel: 486 3724 or 486 1158
All major credit cards accepted

LONDON BEST ESCORT SERVICE
Heathrow and Central London.
Credit Cards. Tel: 235 2330

CHELSEA ESCORT SERVICE.
51 Beauchamp Place, London SW3.
Tel: 01 584 6513/2749 (4-12 pm)

******GENEVA BEST
ESCORT SERVICE. 022 / 86 15 95

* AMSTERDAM *
ESCORT SERVICE. 68 11 20

GENEVA *BEAUTY*
ESCORT SERVICE. 022/29 51 30

** ZURICH **
Caroline Escort Service 01/252 61 74

NEW YORK & L.A. MIA Escort Service. 212-223-0890. Credit cards.

FRANKFURT & SURROUNDINGS Caroline's Escort & Travel Service. English, French, German, Spanish spoken. Tel: (069) 43 57 63.

VIENNA STUDENT ESCORT service. Contact: 83 63 04. Credit cards accepted.

DUSSELDORF - COLOGNE - BONN-Essen. Pam's escort & travel service. All credit cards. 0211-39 50 66

ESCORTS & GUIDES

AMSTERDAM BERNADETTE MALE and Female Escort Service. (0) 20-327799.

LONDON TRUDIE ESCORT Service. Tel: 01-373 8849.

COPENHAGEN/ Stockholm Miss Scandinavia Escort Service. (45)01-54 17 06

COPENHAGEN Cosmopolitan Escort Service Tel: (45) 01-958195

FRANKFURT + AREA Christina Escort Service. 069/364656. Credit Cards

LONDON, HEATHROW VIVIEN Escort Service. Tel: (01) 386 7671

NEW YORK-LOS ANGELES. Renee's Escort Service. 212-315-3899.

MUNICH - SECRET ESCORT & Guide Service. Tel: 089/ 44 86 038.

SAMANTHA ESCORT SERVICE London. Tel: 01-328 8459.

WASHINGTON, D.C.: Sandy Escort - Service. (703) 549-1255.

NEW YORK, CANDICE Escort Service. Tel: 212-684 2175.

FRANKFURT - PETRA Escort & Travel Service. Tel. 069 / 68 24 05

DUSSELDORF/Cologne/Essen/Bonn English Escort Service 0211/383141

LONDON BAYSWATER ESCORT Service. Tel. 01 229 0776.

LONDON, EXCLUSIVE Escort Service. Tel: 01-352 0498.

DOMINIQUE ESCORT SERVICE. London 402 1963 or 289 7972

LONDON PARK LANE Escort Service. Tel: 01-821 0283

FRANKFURT "TOP TEN" Escort Service. 069/59-60-52.

GREEK ESCORT SERVICE in London. Tel: 01-373 1046.

MONTREAL, CANADA, CLAIRE Escort & Guide Service, 514-768-4535.

FRANKFURT, SUSANNE'S ESCORT Service. Tel: 069/84 48 75 or 84 48 76.

MUNICH - BAVARIAN ESCORT Service. Tel: 089/35 98 914.

ESCORTS & GUIDES

LONDON LACE ESCORT SERVICE
TEL: 01-703 6713

AMSTERDAM FOUR ROSES Escort Service (0) 20-964376

DOMINA - DUSSELDORF ESCORT & guide service. Tel: 0211-37 53 19.

HONG KONG: GREEK Escort Agency. Kowloon 724 33 01 or 66 84 80

MADEMOISELLE Escort Service. Hamburg. 040/45 01 89.

MUNICH TOUCH ESCORT + Guide Service. Tel: 91 23 14

AMSTERDAM CHA-CHA ESCORT Service. Tel: 020-654078

BRUSSELS NATHALIE Escort Guide Service. Call 02/633 28 70.

MUNICH - BLONDY & TANJA Escort Service. Tel: 311 79 00 or 311 11 06.

BRUSSELS. CHANTAL ESCORT Service: Tel: 02/520 23 65.

FRANKFURT AREA SIMONE'S escort and travel service. Tel 62 88 05.

FRANKFURT JENNY ESCORT & travel service. 069/55-72-10. Credit cards.

FRANKFURT - USCHI escort service. Tel: 069/65 53 90.

HAMBURG - SABRINA Escort Service. Tel: 040/58 65 35.

MUNICH - CONCORDE ESCORT Service. Tel: 91 84 59.

BRUSSELS NEW PAMELA'S ESCORT and Guide Service. Tel: 02/538 19 37.

GILDA ESCORT & Travel service Frankfurt. Tel: 595046. Credit cards.

LONDON ERIKA ESCORT Service. Tel: 01-245 1017.

MADRID IMPACT escort and guide service. Multilingual. 261 4142

ATHENS ESCORT AND GUIDE Service. Tel: 8086194.

A-AMERICAN Escort Service Everywhere! 800-237-0892/813-921-7946.

TEL AVIV DAVE'S ESCORT Service. Tel: 03-377911/998754.

INTERNATIONAL POSITIONS

Engineering College Faculty
Overseas

Telemedia, Inc., a U.S. based international educational services company, is seeking individuals for assignment to a post-secondary educational institution in Egypt. This is a unique opportunity to be involved in the implementation of a new program leading to a BS degree for local nationals.

The tasks to be performed are challenging and include development of curriculum and testing materials, the design and set-up of new facilities including labs, and instruction in the following technical disciplines:

Department Heads/ Professors

- Aeronautical Engineering
- Computer Engineering
- Electrical Engineering
- Engineering Sciences
- Mathematics
- English as a Foreign Language

Requirements include a Ph.D. in a field related to your area of specialty and 5 years' instructional and development experience for teaching posts; 10 years desired for department head positions. Overseas experience is highly desirable.

Extraordinary benefits include furnished accommodations, travel and overseas allowances. For immediate consideration, please send a detailed C.V. to: John B. Dahlman, Telemedia, Inc., 310 S. Michigan Ave., Chicago, IL 60604. (U.S. citizenship required).

An Equal Opportunity Employer.

TELEMEDIA, Inc.
Training systems and programs worldwide

INTERNATIONAL POSITIONS

Aux Etats-Unis, pour une unité de production ultra-moderne du Massachusetts, nous recherchons un

ingénieur universitaire électro-mécanicien

☐ ayant une formation en gestion informatisée de la production (MAPICS ou similaire);
☐ de nationalité américaine ou détenteur d'un permis de travail aux ETATS-UNIS;
☐ parfait bilingue anglais/français.

Si ces exigences correspondent à votre choix et à votre profil, écrivez avec curriculum vitae complet à Monsieur Christian-P. BOURG, Président, C.P. BOURG S.A., B-1340 Ottignies (Belgium).

c.p. bourg

EXECUTIVES AVAILABLE

SHIPPING
Air and ocean specialist, Belgian, 38, five years sales experience in Far East, seeks challenging position with a forwarder/shipper/exporter. 20 years broad experience in forwarding/shipping. Willing to relocate and to travel.
Write:
R. MERTENS,
Dr. van de Perrelei, 72,
B-2200 Antwerp, Belgium.

"INTERNATIONAL POSITIONS"
appears every Thursday & Saturday

TO PLACE AN ADVERTISEMENT
contact your nearest
International Herald Tribune
representative or Max Ferrero:
181 Ave. Charles-de-Gaulle,
92521 Neuilly Cedex, France.
Tel.: 46.37.93.00 - Telex: 613595.

Friday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Via The Associated Press

NYSE Highs-Lows

AMEX Highs-Lows

ADVERTISEMENT

INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 21 Feb., 1986

Net asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue price.
The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (r) - regularly; (i) - irregularly.

AL MAL MANAGEMENT
-(w) Al-Mal Trust, S.A. $ 210.69
BANK JULIUS BAER & CO. Ltd.
-(d) Baerbond SF 902.35
-(d) Conbar SF 1361.00
-(d) Equibaer America $ 1270.000
-(d) Equibaer Europe SF 1493.000
-(d) Equibaer Pacific SF 1211.00
-(d) Grobar SF 1117.00
-(d) Stockbar SF 1723.00
BNP INTERFUNDS
-(w) Interbond Fund $ 144.08
-(w) Intercurrency US$ $ 10.21*
-(w) Intercurrency DM DM 10.41*
-(w) Intercurrency Sterling £ 10.21*
-(w) Interequity Pacific Offer $ 12.51
-(w) Interequity N. Amer. Offer $ 11.07*
BANQUE INDOSUEZ
-(d) Asian Growth Fund $ 13.33
-(w) Diverbond SF 84.10
-(w) FIF-America $ 19.42
-(w) FIF-Europe $ 19.76
-(d) FIF-International $ 12.45
-(w) FIF-Pacific $ 22.86
-(d) Indosuez Multibonds A $ 113.39
-(d) Indosuez Multibonds B $ 198.08
-(d) Indosuez USD (M.M.F) $ 1056.72
BRITANNIA, POB 271, St. Helier, Jersey
-(w) Brit.Dollar Income $ 0.907
-(w) Brit.$ Manag.Curr. $ 11.40*
-(d) Brit. Intl.$ Manag.portf. $ 1.284
-(d) Brit. Intl.£ Manag.Portf. £ 126.5
-(w) Brit. Am. Inc. & Fd Ltd. $ 1.190*
-(w) Brit.Gold Fund $ 0.788
-(w) Brit.Manag.Currency £ 16.19*
-(d) Brit. Japan Dir Perf. Fd. $ 1.413
-(w) Brit.Jersey Gilt Fund £ 0.215
-(d) Brit. World Leis. Fund $ 1.345
-(d) Brit. World Techn. Fund $ 0.841
CAPITAL INTERNATIONAL
-(w) Capital Int'l Fund $ 50.92
-(w) Capital Italia S.A. $ 23.22
CITICORP INVESTMENT BANK (Lux.)
POB 1373 Luxembourg Tel. 477.95.71
(d) Citinvest Ecu ECU 1032.92
(d) Citinvest Liquidity $ 1038.25
CREDIT SUISSE (ISSUE PRICES)
-(d) Actions Suisses SF 500.25
-(d) Bond Valor Swf SF 106.60
-(d) Bond Valor D-mark DM 108.94
-(d) Bond Valor US-DOLLAR $ 115.90
-(d) Bond Valor £ Sterling £ 101.20
-(d) Bond Valor Yen Yen 10,431.00
-(d) Convert Valor Swf SF 127.20
-(d) Convert Valor US-DOLLAR $ 136.64
-(d) Conasec SF 649.00
-(d) CS Fonds-Bonds SF 76.50
-(d) CS Fonds-Int'l SF 121.25
-(d) CS Money Market Fund $ 1122.00
-(d) CS Money Market Fund DM 1073.00
-(d) CS Money Market Fund £ 1072.00
-(d) CS Money Market Fd Yen Y101672.00
-(d) Energie-Valor SF 137.50
-(d) Ussec SF 828.00
-(d) Europa-Valor SF 191.50
-(d) Pacific-Valor SF 158.50
DREXEL BURNHAM LAMBERT INC
Winchester House, 77 London Wall
LONDON EC2 (01 9209797)
-(w) Finsbury Group Ltd. $ 134.72
-(m) Winchester Diversified $ 22.80*
-(m) Winchester Financial Ltd. $ 9.77
-(m) Winchester Frontier $ 118.06
-(w) Winchester Holdings FF 109.55
-(m) Winchester Recovery Ltd. $ 103.80
$ 72.46
-(w) Worldwide Securities $ 57.12
-(w) Worldwide Special $ 2069.65
DIT INVESTMENT FFM
-+(d) Concentra DM 36.59
-+(d) Int'l Rentenfond DM 82.65
EBC TRUST CO.(JERSEY) LTD.
1-3 Seale St.,St. Helier;0534-36331
TRADED CURRENCY FUND.
@(d) Inc.: Bid $ 11.68 Offer $12.061*
@(d) Cap.: Bid $ 13.36 Offer $ 13.791
INTERNATIONAL INCOME FUND
-(d) Short Term 'A' (Accum) $ 1.3242
-(d) Short Term 'A' (Distr) $ 1.9983*
-(d) Short Term 'B' (Accum) $ 1.3681
-(d) Short Term 'B' (Distr) $ 0.9973*
-(w) Long Term $ 25.86*
F&C MGMT. LTD. INV. ADVISERS
1, Laurence Pountv Hill, EC4. 01-623-4680
-(w) F&C Atlantic $ 13.66
-(w) F&C European $ 19.11
-(w) F&C Oriental $ 34.53
FIDELITY POB 670, Hamilton Bermuda
-(m) Fid. Amer. Val.II Com. $ 41.67
-(m) Fid. Amer. Val.II Com.Pref. $ 100.76
-(m) Fid. Amer. Val.III Com. $ 14.12
-(m) Fid. Amer. Val.III Cum Pref. $ 100.82
-(d) Fidelity Amer. Assets $ 85.50
-(d) Fidelity Australia Fund $ 11.65
-(d) Fidelity Discovery Fund $ 11.78
-(d) Fidelity Dir. Svgs.Tr. $ 138.42
-(d) Fidelity Far East Fund $ 27.77
-(d) Fidelity Int'l. Fund $ 91.11
-(d) Fidelity Orient Fund $ 38.23
-(d) Fidelity Frontier Fund $ 17.38
-(d) Fidelity Pacific Fund $ 167.37
-(d) Fidelity Spcl. Growth Fd. $ 17.32
-(d) Fidelity World Fund $ 44.44
FORBES PO 887 GRAND CAYMAN
London Agent 01-839-3013
-(w) Dollar Income $ 4.87
-(w) Forbes High Inc. Gilt Fd. £ 95.00
-(w) Gold Income $ 7.88
-(w) Gold Appreciation $ 4.14
-(m) Strategic Trading $ 1.45
GEFINOR FUNDS
-(w) East Investment Fund $ 475.84
-(w) Scottish World Fund £ 151.01
-(w) State St. American $ 188.81
London:01-491-4230, Geneva:41-22355530
GLOBAL ASSET MANAGEMENT CORP.
PB 119, St Peter Port, Guernsey, 0481-28715
-(w) FuturGAM S.A. $ 152.06
-(w) GAM Arbitrage Inc $ 136.88
-(w) GAMerica Inc $ 149.91
-(w) GAM Australia Inc. $ 102.09
-(w) GAM Boston Inc $ 131.24
-(w) GAM Ermitage $ 18.97
-(w) GAM Franc-val SF 136.19
-(w) GAM Hong Kong Inc. $ 99.33
-(w) GAM International Inc. $ 274.02
-(w) GAM Japan Inc. $ 139.92
-(w) GAM North America Inc. $ 128.10
-(w) GAM N.Am. Unit Trust Inc. 115.90* p
-(w) GAM N.Am. Unit Trust Accum. 120.15 p
-(w) GAM Pacific Inc. $ 152.12
-(w) GAM Pens. & Char. Worldw. 122.40 p
-(w) GAM Pens. & Char. U.K. Fd. 110.90 p
-(w) GAMrint $ 123.06
-(w) GAM Singapore/Malay Inc. $ 81.29
-(w) GAM Sterl & Intl Unit Trust 172.85* p
-(w) GAM Worldwide Inc. $ 220.05
-(w) GAM Tyche S.A. Class A $ 146.51
-(w) GSAM Composite Inc. $ 104.89
-(w) GSAM Interest Inc. U.S Ord. $ 106.93
-(w) GSAM Interest Inc. U.S Spe. $ 100.57
-(w) GSAM Interest Inc. SF 103.17
-(w) GSAM Interest Inc. Yen 10,261
-(w) GSAM Interest Inc. DM 102.69
-(w) GSAM Interest Inc. £ 100.96
G.T. MANAGEMENT (UK) Ltd.
-(d) Berry Pac. Fd.Ltd. $ 12.76
-(r) G.T. Applied Science $ 14.70
-(d) G.T. Asean H.K. Gwth.Fd. $ 12.11
-(d) G.T. Asia Fund $ 4.62
-(d) G.T. Australia Fund $ 25.37
-(d) G.T. Europe Fund $ 17.81
-(w) G.T. Euro. Small Cos. Fund $ 18.64
-(r) G.T. Dollar Fund $ 18.12
-(d) G.T. Bond Fund $ 13.65*
-(d) G.T. Global Technlgy Fd. $ 15.19
-(d) G.T. Honshu Pathfinder $ 36.54
-(d) G.T. Investment Fund $ 24.73
-(w) G.T. Japan Small Co.Fund $ 57.11
-(r) G.T. Technology Fund $ 26.62
-(d) G.T. South China Fund $ 15.06*
HILL SAMUEL INVEST. MGMT. INTL. S.A.
Jersey, P.O. Box 63. Tel 0534 76029
Berne, P.O. Box 2622. Tel 4131 224051
-(d) Crossbow (Far East) SF 10.80
-(d) CSF (Balanced) SF 27.84
-(d) European Equity Fund DM 12.79
-(d) Intnl. Bond Fund $ 11.06*
-(d) Int. Currency U.S. $ 27.33
-(d) ITF Fd (Technology) $ 16.54
-(d) O'Seas Fd (N. AMERICA) $ 33.13*
JARDINE FLEMING, POB 70 GPO Hg Kg
-(r) J.F Currency&Bond $ 15.02
-(r) J.F Hong Kong Trust $ 37.65
-(r) J.F Pacific Income Trust Y 30.90
-(r) J.F Japan Trust Y 4083
-(r) J.F Japan Technology Y 20,257
-(r) J.F Pacific Sec.S.(Acc) $ 8.47
LLOYDS BANK INTL. POB 438, Geneva 11
-+(w) Lloyds Int'l Dollar $ 111.40
-+(w) Lloyds Int'l Europe SF 138.70
-+(w) Lloyds Int'l Growth SF 184.00
-+(w) Lloyds Int'l Income SF 304.00
-+(w) Lloyds Int'l N. America $ 176.75
-+(w) Lloyds Int'l Pacific SF 139.90
-+(w) Lloyds Int'l Smaller Cos. $ 14.63
NIMARBEN
-(d) Class A $ 104.97
-(w) Class B - U.S. $ 141.11
-(w) Class C - Japan $ 115.87
OBLIFLEX LIMITED
-(w) Multicurrency $ 14.55
-(w) Dollar Medium Term $ 11.92
-(w) Dollar Long Term $ 13.12
-(w) Japanese Yen $ 16.07
-(w) Pound Sterling £ 11.41
-(w) Deutsche Mark DM 11.31
-(w) Dutch Florin FL 10.81
-(w) Swiss Franc SF 10.35
-(w) Swiss Multicurrency SF 10.54
-(w) European Currency ECU 10.12
ORANGE NASSAU GROUP
PB 85578, The Hague (070) 469670
-(d) Sever Beleggingen++ $ 32.70
PARISBAS-GROUP
-(d) Cortexa International $ 106.10
-(d) ECUPAR ECU 1032.25
-(w) OBLI-DM DM 1282.53
-(w) OBLIGESTION SF 93.20
-(w) OBLI-DOLLAR $ 1191.51
-(w) OBLI-YEN Y 107249.00
-(w) OBLI-GULDEN FL 1074.10
-(d) PAROIL-FUND $ 87.92
-(d) PAREUROPE GROWTH $ 13.69
-(d) PARINTER FUND $ 148.25
-(d) PARINTER BOND FUND $ 11.76
-(d) PAR US Treas. Bond 'Cl. B' $ 108.60
PUTNAM
-(d) Emerging Hlth Sc. Trust $ 12.53
(w) Putnam Em. Info. Sc. Tr. $ 70.34
(d) Putnam Int'l Fund $ 68.40
ROYAL B. CANADA, POB 246, GUERNSEY
-+(w) RBC Canadian Fund Ltd. $ 12.39*
-+(w) RBC Far East&Pacific Fd. $ 14.14
-+(w) RBC Int'l Capital Fd. $ 31.20
-+(w) RBC Int'l Income Fd. $ 11.94*
-+(d) RBC Mon.Currency Fd. $ 29.75
-+(w) RBC North Amer. Fd. $ 11.74
SKANDIFOND INTL FUND (46-8-236270)
-(w) Inc.: Bid $ 7.38 Offer $ 7.86
-(w) Acc.: Bid $ 7.41 Offer $ 7.89
SKANDIFOND CAPITAL LTD (46-8-236270)
-(w) Accu. Bond Fd. Bid $5.28 Offer $5.61
SKANDIFOND LIMITED (46-8-236270)
-(w) Income Bond Fd. Bid $5.28 Offer $5.62
SVENSKA INTERNATIONAL LTD.
17 Devonshire Sq., London-01-377-8040
-(r) SHB Bond Fund $ 27.33
-(w) SHB Intl Growth Fund $ 31.35
SWISS BANK CORP. (ISSUE PRICES)
-(d) America-Valor SF 508.50
-(d) D-Mark Bond Selection DM 117.36
-(d) Dollar Bond Selection $ 132.50
-(d) Florin Bond Selection FL 131.42
-(d) Intervalor SF 88.25
-(d) Japan Portfolio SF 952.50
-(d) Sterling Bond Selection £ 101.64
-(d) Swiss Foreign Bond Sel. SF 108.15
-(d) Swissvalor New Series SF 399.75
-(d) Universal Bond Select. SF 78.00
-(d) Universal Fund SF 125.59
-(d) Yen Bond Selection Y 10447.00
THORNTON MANAGEMENT LTD
(d) The Establishment Trust $ 1.32
(d) Thornton Australia Fd Ltd. $ 10.83
(d) Thornton HK & China $ 9.98
(d) Thornton Japan Fund Ltd $ 14.72
(d) Thornton Orient.Inc. Fd Ltd. $ 10.67
UNION BANK OF SWITZERLAND
-(d) Bond-Invest SF 64.00
-(d) DM-Invest bonds DM 236.80
-(d) Francit French Sh. SFr 171.50
-(d) Fonsa Swiss Sh. SF 167.00
-(d) Germac German Sh. SFr 201.50
-(d) Globinvest SFr 113.02
-(d) Safit South Afr. Sh. SF 329.80
-(d) SFr.-Invest bonds SFr 272.50
-(d) Sima (stock price) SF 234.00
-(d) Yen-Invest bonds SFr 979.50
UNION INVESTMENT Frankfurt
-(d) Unirenta DM 48.80
-(d) Unifonds DM 38.30
-(d) Unirak DM 88.00
-(d) UNIZINS DM 111.40
Other Funds
(w) Actibonds Investments Fund $ 28.16
(w) Actirotissance $ 107.04
(w) Activest Intl $ 12.92
(m) Allied Ltd. $ 5.50
(w) Arqutia International Fund $ 204.39
(r) Arab Finance I.F. $ 964.26
(r) Ariane $ 2106.80
(w) Bondselex-Issue Pr. SF 120.85
(m) Canada Gld-Mortgage Fd. $ 9.93
(d) Capital Preserv. Fd. Intl. $ 11.09
(w) Citadel Fund $ 1.02
(m) Cleveland Offshore Fd. $ 2518.47
(w) Columbia Securities FL 107.37
(r) COMETE $ 958.71
(w) Convert. Fd. Int'l A Certs. $ 13.47
(w) Convert. Fd. Int'l B Certs. $ 38.84
(w) Cumber Intl N.V. $ 167.71
(w) Daiwa Japan Fund Y 16,440
(w) D.G.C. $ 110.79
-(d) Dollar-Baer bond Fd. $ 1106.00
-(d) D-mark-Baer Bond Fd. DM 1044.00
(d) D. Witter Wld Wide Ivt Tst $ 14.73
(r) Drakkar Invest.Fund N.V. $ 1403.47
(d) Dreyfus America Fund $ 12.25
(d) Dreyfus Fund Int'l. $ 44.15
(w) Dreyfus Intercontinent. $ 38.35
(d) Europe Obligations Ecu 66.21
(w) First Eagle Fund $ 19,924.35
(r) Fifty Stars Ltd. $ 1048.36
(w) Fixed Income Trans. $ 11.74
(w) Fondselex Issue Pr. SF 282.75
(w) Forexfund $ 7.29
(w) Formula Selection Fd. SF 85.43
(d) Fonditalia $ 40.74
(d) Frankf-Trust Interzins DM 43.06
(w) George V INV. BOND F. $ 12.23
(d) Govern. Sec. Fund $ 97.87
(w) Housemann Hldgs. N.V. $ 161.84
(w) Hestia Funds $ 113.04
(w) Horizon Fund $ 1522.52
(m) IBEX Holdings Ltd. SF 127.21
(r) ILA-IGB $ 9.45
(r) ILA-IGS $ 9.27
(r) IncAmerica N.V. $ 18.00
(d) Interfund S.A. $ 25.07
(w) Intermarket Fund $ 282.28
(d) Intermining Mut. Fd. Cl.'B' $ 850.95
(d) Intermining Mut. Fd. Cl.'C' $ 1080.77
(r) Int'l Securities Fund $ 16.71
(d) Investa DWS DM 46.92
(r) Invest Atlantiques $ 13.87
(r) Italfortune Int'l Fund SA $ 25.54
(w) Japan Selection Fund $ 147.45
(w) Japan Pacific Fund $ 136.94
(m) Jeffer Ptns. Intl. Ltd. $ 10,719.58
(d) Kleinwort Benson Int'l Fd. $ 24.89
(w) Kleinwort Bens. Jap. Fd. $ 104.85
(w) Korea Growth Trust KW 10,445.21
$ 11.76
(d) Leicom Fund $ 1484.42
(w) Leverage Cap Hold. $ 213.17
(d) Liquibaer $ 1389.80
(w) Luxfund $ 98.78
(d) Mediolanum Sel. Fd. $ 28.44
(r) Meteore Y 185,007.00
(w) NAAT $ 12.06
(d) Nikko Growth Package Fd. $ 10,864.80
(w) Nippon Fund $ 42.84*
(d) NM Income & Growth Fund $ 10.24
(m) NOSTEC Portfolio $ 4327.22
(w) Novatec Investment Fund $ 109.27
(w) N.A.M.F. $ 180.01
(m) NSP F.I.T. $ 191.54
(d) Pacific Horizon Invt. Fd. $ 1425.30
(w) PANCURRI Inc. $ 30.08
(r) Permal Value N.V. $ 1384.97
(r) Pleiades $ 1268.43
(w) PSCO Fund N.V. $ 132.97
(w) PSCO Intl. N.V. $ 105.46
(r) Pri-Tech $ 170.29
(w) Quantum Fund N.V. $ 7946.68
(d) Renta Fund LF 2898.00
(d) Rentinvest LF 1955.98
(d) Reserve Insured Deposits $ 1139.36
(w) Rudolf Wolff Fut Fd Ltd. $ 1390.08
(w) Samurai Portfolio SF 130.15
(d) SCI/Tech. SA Luxembourg $ 13.21
(w) Seven Arrows Fund N.V. $ 1077.97
(w) Strategy Investment Fund $ 27.36
(d) Syntax Ltd.'(Class A)' $ 11.58
(w) Techno Growth Fund SF 61.32
(w) Tokyo Pac. Hold. (Sea) $ 119.58
(w) Tokyo Pac. Hold. N.V. $ 163.87
(w) Transpacific Fund $ 119.57
(w) Trans Europe Fund Fl 53.80
(d) Turquoise Fund $ 142.07
(w) Tweedy,Browne n.v.ClassA $ 2395.96
(w) Tweedy,Browne n.v.ClassB $ 1617.56
(m) Tweedy,Browne (U.K.) n.v. $ 1036.15
(d) UNICO Fund DM 74.90
(d) UNI Bond Fund $ 1287.64
(r) UNI Capital Fund $ 1298.32
(d) Univers Bonds Dm 101.77
(d) US Federal Securities $ 10.87
(w) Vanderbilt Assets $ 13.17
(w) Willerbond Capital $ 10.61
(d) World Fund S.A. $ 15.51

DM - Deutsche Mark; BF - Belgium Francs; FL - Dutch Florin; LF - Luxembourg Francs; ECU - European Currency Unit; SF - Swiss Francs; a - asked; + - Offer Prices; b - bid change P/V $10 to $1 per unit; N.A. - Not Available; N.C. - Not Communicated; o - New; S - suspended; S/S - Stock Split; * - Ex-Dividend; ** - Ex-Rts; *** - Gross Performance Index December; ■ - Redempt- Price- Ex-Coupon; ** - Formerly Worldwide Fund Ltd; @ - Offer Price incl. 3% prelim. charge; ++ - daily stock price as on Amsterdam Stock Exchange

Floating-Rate Notes

Feb. 21

Dollars

Pounds Sterling

Japanese Yen

Canadian Dollars

Deutsche Marks

E.C.U.

Source: Credit Suisse-First Boston Ltd., London

هكذا من الاصل

BUSINESS PROFILE / Onno Ruding, Dutch Internationalist

Preaching the Gospel of Economic Austerity

By Steven J. Dryden
International Herald Tribune

THE HAGUE — Onno Ruding, the Dutch finance minister, sometimes uses the language of the church to explain the government's austerity program. It may be the best way to describe his crusade to save the soul of the Netherlands' budget.

Since taking office in 1982, Mr. Ruding has led an unceasing assault on the generous Dutch welfare state and its large budget deficit. His outspoken defense of these policies has made him the most controversial member of Prime Minister Ruud Lubbers' cabinet.

In May, his policies will face their first electoral test when Mr. Lubbers' center-right coalition government seeks a second term against the leftist opposition Labor Party. Despite the approaching elections, Mr. Ruding's plans this year call for continued cutbacks that will total 8 billion guilders ($3 billion), including reductions in social-welfare benefits and public-sector wages.

Mr. Ruding believes that while the austerity program initially was unpopular, the tide of opinion has turned in the government's favor. Inflation is under control, at around 1 percent a year, and the economy is growing at rate of about 2 percent after years of stagnation. Unemployment, hovering near 16 percent, has begun to decline for the first time in a decade.

"For two years, we were preaching the gospel without proving to the believers that they would enter heaven," Mr. Ruding said recently of Dutch voters. "Now they are approaching it and there are more believers."

It is this kind of self-assuredness about his policies — critics call it arrogance — that has created Mr. Ruding's contentious reputation.

The Netherlands may be a country that prides itself on frank talk, but its politicians have the universal tendency to speak the kind of language that the public wants to hear. Mr. Ruding, however, has a habit of bluntness that even surprises his fellow Dutchmen.

He has come under particularly strong criticism for his comments on the jobless. "Many unemployed, especially the young, shirk difficulties when it comes to looking for a job," he said in a 1984 interview.

Irritated by that kind of remark, the youth wing of the national labor union FNV tried that year to take Mr. Ruding to court. The civil suit was dismissed, but Joop Maat, a FNV spokesman, said he still believes that the remarks "insulted" the unemployed and showed a lack of understanding about the difficulties of finding a job in the Netherlands.

One Dutch diplomat contrasted Mr. Ruding with Mr. Lubbers, who, he said, "is a pure political animal. Ruding is not. My impression is that he doesn't care" what the public thinks.

At the same time, Mr. Ruding's personal style also reflects his previous work as an economist, bank manager and high-ranking official of the International Monetary Fund. He reaches the need for budgetary restraint in calm, measured tones. He also possesses a cool sense of humor that occasionally breaks through his somewhat formal, scholarly exterior.

While talking with a group of journalists last month, he suddenly was drowned out by chants from several thousand students marching past the ministry to protest cuts in state support to education. He smiled quickly and said, "They come every day to sing songs in praise of the government."

But Mr. Ruding also can display a certain disdain for and weariness with those who do not see things his way. He said that he has tried without success to persuade Dutch socialists to accept the moderate policies of their colleagues in France.

"I always mention the French," he said with a sigh. "But they never want to be compared with the French. They always come up with Sweden."

Mr. Ruding, 46, rose quickly through the Finance Ministry and the Dutch banking world. While finishing his doctorate in economics at the Erasmus University of Rotterdam in the late 1960s, he headed the ministry's division of international monetary affairs. By the time he was in his mid-30s, he was a director of the Amsterdam-Rotterdam Bank.

In 1977, the Dutch government sent him to Washington as an executive director of the IMF. Although he returned to the Amsterdam-Rotterdam Bank in 1981 and the Finance Ministry a year later, Mr. Ruding has kept a high international profile, serving as chairman of the Asian Development Bank and the European Investment Bank.

Onno Ruding

Last year, he was made the chairman of both the IMF's policy-making Interim Committee, where he is playing a key role in efforts to ease the world debt problem, and the Group of Ten industrialized nations.

"He's a genuine internationalist in the best Dutch sense," said Sir William Ryrie, vice president of the International Finance Corp., the private-development affiliate of the World Bank. "He would try to find an honest solution to a problem rather than a political fiddle."

Mr. Ruding impressed his IMF colleagues last October when he was chairman of an Interim Committee meeting in Seoul a week after undergoing an emergency appendectomy in China. "He looked unwell but held his own," said one participant in the meeting.

Back in The Hague, Mr. Ruding also is known for his exceptional devotion to his work. "He strives for perfection and drives us very hard, too," said one Finance Ministry official.

During the first six months of this year, while the rotating presidency of the European Community is held by the Netherlands, Mr. Ruding is focusing some of this energy on his colleagues in Brussels. As chairman of the EC's Finance Council, he deals with two of the community's most sensitive issues, the budget and the dismantling of internal trade barriers.

One Finance Ministry aide described Mr. Ruding, only half in jest, as someone so concerned with budget discipline that, if kidnapped, he would probably not authorize the payment of a government ransom on his own behalf. Not surprisingly, Mr. Ruding said that his first priority while heading the Finance Council would be to ensure that more attention was paid to the findings of the European Court of Auditors, which monitors community spending.

Mr. Ruding said that he also wants to make tangible progress in the renewed drive for the abolition of trade barriers between member nation, a goal that still eludes the community 29 years after its founding.

Some of the barriers — such as unequal rates of national value added tax — are "political dynamite," Mr. Ruding acknowledged. But he said that the Dutch government is "determined that progress should be made. We consider the achievement of the internal market the main task which lies ahead. That is the very heart of European integration."

While he tackles EC problems, Mr. Ruding also will be campaigning heavily for the re-election of the government. His own party, the Christian Democrats, is expected to win a place in the next coalition, but his future in the government is not as certain. Depending on the outcome of the election, the Christian Democrats' current coalition partners, the Liberals, could be replaced by the Labor Party.

Mr. Ruding will be telling voters this spring that he wants another term, but this could be hard to arrange with his Labor opponents.

Conscious of how his actions on the EC budget will look to Dutch voters, he said, "I cannot politically afford to be flexible and liberal in Brussels if I'm extremely strict at home. . .it would not be understood by those people who suffer from domestic budget measures."

Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

United States

Caesars World

2nd Quar.	1986	1985
Revenue	163.8	149.6
Net Income	7.49	4.36
Per Share	0.25	0.15
1st Half	1986	1985
Revenue	342.7	316.20
Net Income	18.9	13.3
Per Share	0.63	0.45

Datapoint

2nd Quar.	1986	1985
Revenue	79.8	129.5
Net Loss	8.42	15.9
1st Half	1986	1985
Revenue	152.6	269.6
Net Loss	18.0	14.4

1986 year net both periods includes pretax loss of $4.27 mln from sale and total charges connected with that transaction of $4.6 mln.

Geico

4th Quar.	1985	1984
Revenue	331.9	265.4
Oper Net	22.9	25.41
Oper Share	1.28	1.34
Year	1985	1984
Revenue	1,220.	995.0
Oper Net	77.44	100.41
Oper Share	4.21	5.11

Quarters exclude $38.94 mln vs $7.8 mln from realized gains on investments. Years exclude $92.94 mln vs $30.9 mln from realized gains on investments.

Gillette

4th Quar.	1985	1984
Revenue	668.3	594.5
Net Income	39.2	37.3
Per Share	1.20	1.16
Year	1985	1984
Revenue	2,400.	2,290.
Net Income	159.9	159.3
Per Share	4.90	4.96

Loews

4th Quar.	1985	1984
Revenue	1,820.	1,480.
Net Income	115.1	131.9
Per Share	1.42	1.62
Year	1985	1984
Revenue	6,700.	5,560.
Net Income	589.0	328.6
Per Share	7.23	4.03

Current year includes after-tax gain of $80.76 mln on disposition of business. Quarter net includes $959,000 vs $674,000 and year net includes $86.4 mln vs $7.8 mln from discontinued operations. Net includes equity of $56.6 mln vs $67 mln in quarter and $270.3 mln vs $128.4 mln in year from insurance operation.

Wyman-Gordon

4th Quar.	1985	1984
Revenue	96.2	102.2
Oper Net	(a)8.81	6.31
Oper Share	—	0.33
Year	1985	1984
Revenue	384.1	400.3
Oper Net	8.72	36.8
Oper Share	0.46	1.90

a: loss. 1985 net excludes loss of $4.37 mln vs $188,000 in quarter and $5.28 mln vs $1.43 mln in year from discontinued operations. 1985 pretax net includes Lifo gains of $3.57 mln vs $484,000 in quarter and $7.23 mln vs $5.07 mln in year. 1985 net both periods includes pretax charge of $23.32 mln for plant closure.

Zenith Electronics

4th Quar.	1985	1984
Revenue	484.0	483.6
Net Income	3.6	11.3
Per Share	0.16	0.51
Year	1985	1984
Revenue	1,620.	1,720.
Net Income	(a)17.7	63.6
Per Share	—	2.88

a: loss. 1984 year net include $10.4 mln from disc tax adjustment credit.

CURRENCY MARKETS

Dollar Mixed in U.S., Up in Europe

Compiled by Our Staff From Dispatches

NEW YORK — The dollar closed higher Friday against the Japanese yen and mixed against the major European currencies in moderate trading in New York.

In earlier European trading, the dollar strengthened after indications that the Japanese government felt the currency had fallen far enough.

In New York, the dollar finished at 182.48 yen, up from 180.85 Thursday. Earlier in Tokyo, the currency rose to 182.30 from 179.75 Thursday, although it finished below its trading peak of 184.5.

The dollar also ended at 2.2978 Deutsche marks in New York, down slightly from 2.3015 DM; at 7.0600 French francs, down from 7.0650, and at 1.9223 Swiss francs, up from 1.9160.

In New York, the British pound rose to end at $1.4550 from $1.4510 on Thursday. In London, the pound weakened to $1.4445 at the close, from $1.4520.

"The market is in a very sensitive phase," said Chad Dickson, a trader with Salomon Brothers in New York.

Mr. Dickson was referring to comments this week by James A. Baker 3d, secretary of the Treasury, and Paul A. Volcker, chairman of the Federal Reserve Board. The two men appeared to disagree on whether it would be beneficial if the dollar continued its decline.

"A lower dollar is not a problem," Mr. Dickson said. "The way it declines is what's important.

"If we were to push the dollar way off it would create an unattractive environment for international investment," he said. "And the way we're structured right now we are counting on that money to fund the deficit" in the U.S. federal budget.

In Europe, the dollar gained support early Friday after Prime Minister Yasuhiro Nakasone of Japan was quoted by Kyodo News Service in Tokyo as telling members of his Liberal Democratic Party on Thursday night that the dollar was bottoming out against the yen.

The dollar was also helped by remarks from Masumi Esaki, a senior state minister for external economic affairs. He told the Diet, the Japanese parliament, that he wanted the dollar to stabilize in the 190-200 yen range.

The governor of the Bank of Japan, Satoshi Sumita, told cabinet ministers in charge of economic affairs Friday that the central bank might intervene in foreign exchange trading, presumably to shore up the dollar, government officials said.

In Frankfurt, the dollar was fixed at 2.3155 DM, up from 2.3052 DM. Later, in London, it ended at 2.3080 DM, up from 2.3052 at the previous close.

In Paris, the dollar was fixed at 7.1135 French francs, up from 7.0720 on Thursday. In Zurich, the currency closed at 1.9325 Swiss francs, up from 1.9185.

Dealers in Europe said that continuing bearish sentiment aggravated by the apparent Treasury-Fed conflict seemed to point to further weakness in the dollar next week.

One London trader for a U.S. bank expected the dollar to test 175 yen some time next week.

(UPI, Reuters, IHT)

THE EUROMARKETS

U.S. Reports Boost Dollar-Straight Issues

By Christopher Pizzey
Reuters

LONDON — The secondary market generally ended firmer Friday. News of January declines in both U.S. personal income and spending helped dollar- straight issues to end the day with gains of ¼ to ½ point, dealers said.

They added that much of Friday's business was inter-professional, with little sign of retail activity. One dealer said, "Our retail clients were a bit loathe to do anything today." New-issue activity was relatively slow, with only two U.S. dollar bonds launched by the end of the day.

Debartolo Capital Corp. launched a $100-million bond issue paying 9¼ percent over 10 years and priced at 100¼. The lead manager was Chemical Bank International and the issue was guaranteed by Mitsubishi Trust & Banking Corp.

It ended on the market at a discount of 1⅞, right on the total fees.

Philips NV of the Netherlands offered a $100-million, 10-year, bond issue that pays 8¾ percent and was priced at par. The issue finished at a discount of about 1⅝, comfortably within the total fees of 2 percent. EBC/Amro was the lead manager.

Thursday's $300-million, 30-year bond issue for the World Bank was well received and ended within the 1½ percent selling concession at a discount of 1¼ bid, dealers said. Total fees on the issue, which pays 9¼ percent and was priced at par, are 2⅜ percent.

In the Canadian-dollar sector, TD Mortgage Corp. launched a 50-million-dollar bond issue paying 10 percent and priced at 100¼. The five-year issue was guaranteed by Toronto Dominion Bank and was lead-managed by McLeod Young Weir International.

It ended on the market at a discount of 1¾, compared with the total fees of 1⅞ percent.

Denmark issued a 10-billion-yen bond with Daiwa Europe Ltd. as lead manager. The 10-year issue was priced at 100½ and pays 6⅛ percent. It was quoted at a discount of 1¾, comfortably inside the total fees of 2 percent.

The secondary sector of the Euroyen market tended to end little changed.

Sterling-straight bonds were firmer as the British government bond market jumped ahead during the afternoon, dealers said. However, they added that in this sector also, retail involvement was still slight.

Friday's OTC Prices

NASDAQ prices as of 3 p.m. New York time.
Via The Associated Press

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a — dividend also extra(s). b — annual rate of dividend plus stock dividend. c — liquidating dividend. cld — called. d — new yearly low. e — dividend declared or paid in preceding 12 months. g — dividend in Canadian funds, subject to 15% non-residence tax. i — dividend declared after split-up or stock dividend. j — dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k — dividend declared or paid this year, an accumulative issue with dividends in arrears. n — new issue in the past 52 weeks. The high-low range begins with the start of trading. nd — next day delivery. P/E — price-earnings ratio. r — dividend declared or paid in preceding 12 months, plus stock dividend. s — stock split. Dividend begins with date of split. sls — sales. t — dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u — new yearly high. v — trading halted. vi — in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd — when distributed. wi — when issued. ww — with warrants. x — ex-dividend or ex-rights. xdis — ex-distribution. xw — without warrants. y — ex-dividend and sales in full. yld — yield. z — sales in full.

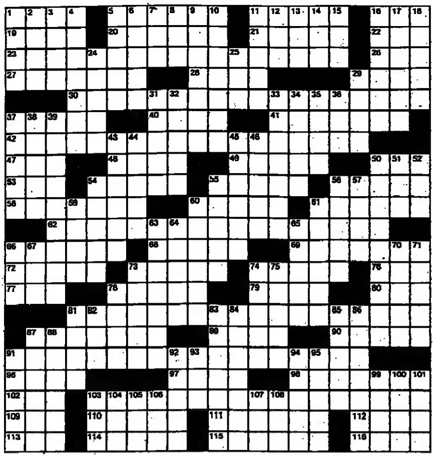
Wordcross By Louis Baron

ACROSS

1 Farmer's unit
5 Faire partner
11 Worries
16 James Jones's heroes
19 Author Bellow
20 Pass
21 "Shéhérazade" composer
22 Follower
23 "Gagman's Primer," by the Bard?
26 P.I. cordage tree
27 "… hiss'd him ——": Shak.
28 Tribal division
29 Market type
30 The last Beatle fan on earth?
37 Former Spandau inmate
40 Turmeric plants
41 Actor McGavin's namesakes
42 Event at McCullers's club?
47 Heir's sound-alike
48 Wild buffalo
49 Falana and Montez
50 Historian's concern
53 Nothing's alternate
54 "Lives like a drunken sailor on ——": Shak.
55 Jalopies
56 Elmo of polls
58 Changed the circuitry
60 June, e.g.
61 Withdrawn state
62 "The A.S.P.C.A. Blues"?
66 U.F.O. crewmen
68 Cask hoops: Sp.
69 Mall neighbor
72 Beethoven's "—— Solemnis"
73 Tales of derring-do
74 Contradict
76 Reese in Tex. is one
77 Word to a proposer
78 Stratum
79 Medicinal plant
80 Kind of shooter
81 The Colonies, to G. Washington?
87 Give a —— (aid a tyro)
89 Hawaiian tree
90 Moriarty's creator
91 Bio of the team lush?
96 Get one's goat
97 Link
98 Beatnik successors
102 "Ode —— Grecian Urn"
103 Mendelssohn's dictionary?
109 'Neath's opposite
110 U. of Maine site
111 A Japanese religion
112 Event for tear gas
113 Be a yenta
114 Wagnerian rôle
115 Usher, at times
116 ——-culotte

DOWN

1 —— spumante
2 Lyricist Sammy
3 Wishes one hadn't
4 Chose
5 Oise feeder
6 As company
7 Alt. form
8 Harvest goddess
9 Advocate of equal political power
10 Resuscitation of flame
11 Facade
12 Male argali
13 Name in a garden
14 Newsman Koppel
15 Vulpine
16 A judge of Israel
17 Newton and Asimov
18 Reputed deliverer
24 Canal on the Indus
25 Pres. before Herb
29 Fox or Rabbit
31 Shackles
32 Suit
33 Long Island campus
34 Nicaraguan people
35 Orrery units
36 Fri., in Frankfurt
37 Cross one's heart
38 Medicine taker's capsule
39 Gem from "The Sound of Music"
43 Christeners
44 "Sweet Rosie O'——"
45 Nikolaidi and Verdugo
46 Castle features
50 Stone-inscription study
51 —— judicata
52 Brachium's locale
54 Action site
55 Sounds from St. Nick
56 Dickens's Barnaby
57 Kiowa's cousin
59 Composer Charles
60 Cowper line to a lady
61 "I had —— not be…": Cassius
63 "Polyolbion" poet: 1622
64 Gimlet's cousin
65 Mythical man of brass
66 Golfer Alcott
67 Whopper
70 "—— Pretty," 1957 song
71 "With —— bodkin?…": Shak.
73 Italian conductor Nello ——
74 A state of Brazil
75 "The Waste Land" poet
78 Pandurina or citole
81 Custody
82 Rossini's "Le Comte ——"
83 Romberg song: 1928
84 Berlin's "—— Music": 1932
85 Animal fat
86 Lethargies
87 Mouse
88 Spinning webs
91 March along
92 Actress Cicely
93 "And ——!"
94 Slide
95 —— miss (at random)
99 Amazon dolphin
100 Pianist Petri: 1881-1962
101 Mod craft
103 Small-fry cry
104 Gold for Goya
105 Balderdash
106 Genetic initials
107 Hawk parrot
108 Que. neighbor



© New York Times, edited by Eugene Maleska.

BOOKS

WHISTLE STOPS: Adventures in Public Life

By Wilson W. Wyatt Sr. 235 pages. $24.
The University Press of Kentucky, 102 Lafferty Hall, Lexington, Ky. 40506.

Reviewed by Chalmers M. Roberts

WHY do participants in great events, especially those who played peripheral roles, wait until history grows cold before telling their tales?

Wilson W. Wyatt is one of that fascinating and numerous breed of Americans — large numbers of whom, like Wyatt, are lawyers — who now and then take time out from earning a living to give a hand to city, state and/or nation — a fifth of his career, in this case. But it is too bad that Wyatt, 80, waited, for example, until the history of the postwar era of the Democratic Party up to and including Adlai E. Stevenson's two attempts to defeat Dwight D. Eisenhower for the presidency is all but set in verbal concrete. Twenty years ago, he might have added something to those histories; now this is just an addendum to the literature.

Reading this small volume, one gets the feeling that Wyatt simply didn't want to hurt anybody's feelings, so much does he pussyfoot around contentious matters.

Although the most fascinating part of this book is Wyatt's description of the Stevenson campaigns, and of the candidate — Wyatt managed the 1952 run and helped in '56 — the more poignant parts concern the might-have-beens in Wyatt's life.

In 1948, when President Truman's election chances looked hopeless, Wyatt, who had gone to the Democratic convention to boost Senator Alben Barkley for vice president, found himself a possibility for No. 2 on the ticket until Barkley's rousing convention speech swept him into the spot. Wyatt had been elected mayor of his hometown, Louisville, at 35 and he had served as the first chairman of Americans for Democratic Action, the liberal spur to the party. He had been Truman's housing administrator. But after the GOP congressional landslide in 1946 he had left Washington, although he was offered the solicitor-general's post.

In 1958, Wyatt announced for governor of Kentucky but ended up running, successfully, for lieutenant governor. That was the campaign in which Happy Chandler, who headed the rival Democratic faction, lambasted Wyatt as a city dude who wore "ankle blankets" — spats.

Wyatt never bothers to tell us if he did wear spats. In fact, much of the writing is dull as a lawyer's brief. And the book is full of factual errors that any good editor should have caught.

The one portrait that comes through is Stevenson's. Wyatt's best line: "What earned him admiration often did not gather him support." Wyatt describes Stevenson's "compulsion" to "tell the whole truth" rather than to shade it, or duck it, in the usual campaign fashion. He offended Catholics by stating flatly that he would discontinue the Roosevelt-Truman policy of having a personal representative at the Vatican, just as he offended coastal-state Democrats by opposing their grab for tidelands oil revenue.

When someone, unidentified, remonstrated on the latter decision: "But Governor Stevenson, if you insist on doing that, you can't win," Adlai responded: "I don't 'have' to win."

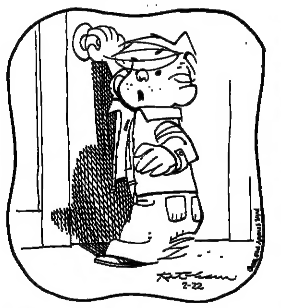
Wyatt says it was he and George Ball who recommended that Stevenson make public his income tax returns, then a breathtaking idea but now standard practice. The recommendation was the result of Republican counterfire against Stevenson when, amid the uproar over Richard Nixon's secret fund and the resulting "Checkers speech," it turned out that Stevenson also had a fund, though there were major distinctions. Wyatt says the recommendation was made "to eliminate this issue from the campaign."

Wyatt gives us no reflective view on whether he now thinks Stevenson would have been a first-rate president or whether what Wyatt concedes was the "inordinate amount of time" his candidate spent "writing, rewriting reworking, and even fiddling with his speeches" was a tipoff to an indecisiveness that would have hampered him in the White House. Wyatt is a believer in Stevenson as the "conscience of American politics" — so much so, in fact, that his account of the abortive 1960 effort to win him a third nomination comes through as truly a sad story.

In 1962 Wyatt lost a close Senate race to Thruston Morton. The next year John F. Kennedy used Wyatt as a presidential emissary to Indonesia's mercurial President Sukarno to keep him from nationalizing U. S. oil firms. Wyatt's detailed account is textbook stuff for schools of diplomacy, especially in showing the uses of flattery and of a promise of a presidential visit.

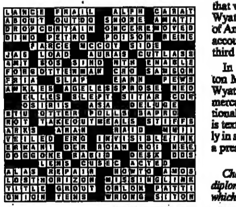
Chalmers M. Roberts is a retired political and diplomatic reporter for The Washington Post, for which he wrote this review.

DENNIS THE MENACE



"I'M GOING OUTSIDE, SO IF YOU WANNA YELL AT ME, YOU'LL HAVE TO YELL AT ME!"

Solution to Last Week's Puzzle



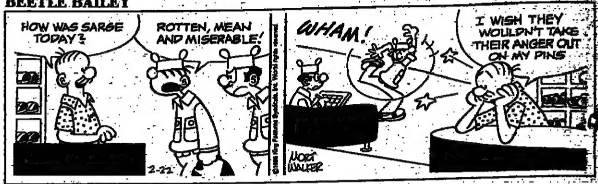
PEANUTS

THEY DID IT AGAIN!
BOY, THAT MAKES ME MAD!
THEY PLAY A SONG ON THE RADIO, BUT THEY DON'T TELL YOU WHAT IT WAS!
THAT WAS THE NATIONAL ANTHEM!
2-22

BLONDIE

SPLAT
I'VE BEEN WANTING TO DO THAT FOR 20 YEARS!
2-22

BEETLE BAILEY


HOW WAS SARGE TODAY?
ROTTEN, MEAN AND MISERABLE!
WHAM!
I WISH THEY WOULDN'T TAKE THEIR ANGER OUT ON MY PINS
MORT WALKER
2-22

ANDY CAPP

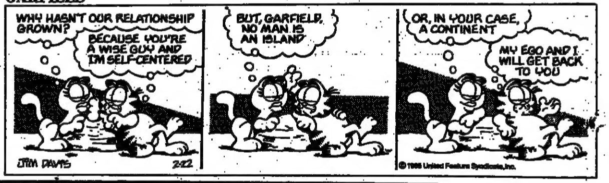
COULD YOU LET ME HAVE A COUPLE O' QUID BEFORE YOU GO OUT? IT'S NOT FOR ME — IT'S FOR CHALKIE
RUBE BORROWED TWO OFF ME YESTERDAY FOR CHALKIE!
THAT'S JUST IT, PET. RE PROMISED TO GIVE IT BACK TO HER TODAY. HE'LL GIVE IT TO HER, SHE'LL GIVE IT TO YOU — SO WE'LL ALL BE OUT OF YOUR DEBT BY LUNCH TIME
WELL… YES… OKAY… FAIR ENOUGH…
?
2-22

WIZARD of ID

REX MORGAN

THAT KAY WEBB IS A VERY ATTRACTIVE WOMAN, DAD. HOW COME YOU HAVEN'T BEEN TAKING HER OUT?
WELL, AS I SAID, SHE'S YOUNG AND I'M SURE SHE'D PREFER THE COMPANY OF PEOPLE IN HER OWN AGE GROUP!
COFFEE SHOP
IS THAT WHAT SHE TOLD YOU?
NO! SHE'S TOO MUCH OF A LADY TO SAY THAT!
WELL, UNTIL SHE DOES SAY THAT, WHY DON'T YOU DATE HER?
BRADLEY EDGINGTON 2-22

GARFIELD


WHY HASN'T OUR RELATIONSHIP GROWN?
BECAUSE YOU'RE A WISE GUY AND I'M SELF-CENTERED
BUT, GARFIELD, NO MAN IS AN ISLAND
OR, IN YOUR CASE, A CONTINENT
MY EGO AND I WILL GET BACK TO YOU
JIM DAVIS 2-22
© 1986 United Feature Syndicate, Inc.

WEATHER

EUROPE	HIGH C	HIGH F	LOW C	LOW F	
Algarve	16	61	14	57	o
Amsterdam	-2	28	-13	9	fr
Athens	16	61	10	50	o
Barcelona	8	46	7	45	o
Belgrade	2	36	-3	27	fr
Berlin	-5	23	-7	19	sw
Brussels	-3	27	-9	16	fr
Bucharest	1	34	-3	27	o
Budapest	-2	28	-6	21	cl
Copenhagen	-4	25	-11	12	cl
Costa Del Sol	19	66	12	54	cl
Dublin	4	39	-3	27	cl
Edinburgh	-1	30	-2	28	sw
Florence	10	50	7	45	cl
Frankfurt	-4	25	-12	10	fr
Geneva	-1	30	-3	27	fr
Helsinki	-11	12	-16	3	o
Istanbul	14	57	10	50	cl
Las Palmas	22	72	12	54	cl
Lisbon	13	55	11	52	r
London	-3	27	-6	21	o
Madrid	10	50	4	39	cl
Milan	4	39	0	32	r
Moscow	-18	0	-24	-11	o
Munich	-6	21	-10	14	fr
Nice	10	50	5	41	r
Oslo	-10	14	-21	-6	fr
Paris	-1	30	-7	19	fr
Prague	-6	21	-15	5	fr
Reykjavik	-3	27	-5	23	fr
Rome	13	55	8	46	cl
Stockholm	-5	23	-9	16	sw
Strasbourg	-2	28	-6	21	cl
Venice	5	41	3	37	r
Vienna	-3	27	-6	21	cl
Warsaw	-8	18	-11	12	cl
Zurich	-3	27	-8	18	o
MIDDLE EAST					
Ankara	12	54	4	39	o
Beirut	—	—	—	—	na
Damascus	20	68	-1	30	fr
Jerusalem	22	72	5	41	fr
Tel Aviv	24	75	9	48	fr
OCEANIA					
Auckland	24	75	18	64	o
Sydney	25	77	18	64	cl

ASIA	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	31	88	24	75	cl
Beijing	8	46	-2	28	fr
Hong Kong	—	—	—	—	na
Manila	30	86	25	77	o
New Delhi	22	72	13	55	o
Seoul	3	37	-3	27	fr
Shanghai	7	45	-2	28	fr
Singapore	34	93	25	77	o
Taipei	—	—	—	—	na
Tokyo	—	—	—	—	na
AFRICA					
Algiers	15	59	11	52	r
Cairo	—	—	—	—	na
Cape Town	24	75	15	59	cl
Casablanca	—	—	—	—	na
Harare	27	81	14	57	fr
Lagos	31	88	28	82	cl
Nairobi	30	86	11	52	cl
Tunis	19	66	11	52	cl
LATIN AMERICA					
Buenos Aires	—	—	—	—	na
Caracas	26	79	16	61	cl
Lima	—	—	—	—	na
Mexico City	25	77	3	37	fr
Rio de Janeiro	32	90	23	73	cl
NORTH AMERICA					
Anchorage	-7	19	-15	5	fr
Atlanta	19	66	13	55	cl
Boston	5	41	1	34	r
Chicago	-4	25	-8	18	pc
Denver	8	46	-10	14	pc
Detroit	0	32	-2	28	sw
Honolulu	28	82	20	68	fr
Houston	18	64	11	52	cl
Los Angeles	23	73	10	50	fr
Miami	28	82	16	61	fr
Minneapolis	-9	16	-14	7	pc
Montreal	4	39	-3	27	cl
Nassau	26	79	15	59	pc
New York	5	41	1	34	sw
San Francisco	16	61	11	52	pc
Seattle	8	46	1	34	r
Toronto	1	34	0	32	cl
Washington	9	48	0	32	r

cl-cloudy; fo-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sw-snow; st-stormy.

SATURDAY'S FORECAST — CHANNEL: Moderate to slight. FRANKFURT: Fair. Temp. -5 — -12 (23 — 10). LONDON: Snow. Temp. -2 — -6 (28 — 21). MADRID: Rain. Temp. 10 — 4 (50 — 39). NEW YORK: Partly cloudy. Temp. 5 — 1 (41 — 34). PARIS: Fair and snow later. Temp. -4 — -8 (25 — 18). ROME: Cloudy. Temp. 12 — 7 (54 — 45). TEL AVIV: Na. ZURICH: Fair. Temp. -3 — -9 (27 — 16). BANGKOK: Mist. Temp. 31 — 24 (88 — 75). HONG KONG: Fair. Temp. 18 — 12 (64 — 54). MANILA: Fair. Temp. 31 — 22 (88 — 72). SEOUL: Fair. Temp. 3 — -5 (37 — 23). SINGAPORE: Thunderstorms. Temp. 32 — 25 (90 — 77). TOKYO: Fair. Temp. 8 — 2 (46 — 36).

World Stock Markets

Via Agence France-Presse Feb. 21

Closing prices in local currencies unless otherwise indicated.

Amsterdam

	Close	Prev.
ABN	553	555
ACF Holding	281	278
Aegon	102.30	102.20
Akzo	158.70	158.80
Ahold	72.90	73.50
Amev	78.30	77.30
A'Dam Rubber	10.60	10.40
Amro Bank	104.30	105.50
BVG	231	231
Buehrmann T	150	144
Caland Hldg	25	26
Elsevier-NDU	158.50	162.50
Fokker	81.20	81
Gist Brocades	256.50	260
Heineken	218.50	219.10
Hoogovens	85.50	85.70
KLM	60	60.40
Naarden	53.80	54
Nat Neder	73	74.80
Nedlloyd	178.20	179.70
Oce Vander G	416.50	418
Pakhoed	67	67.40
Philips	42.80	43.10
Robeco	85.20	84.80
Rodamco	137	136
Rolinco	74.20	73.90
Rorento	47.50	48
Royal Dutch	168.30	168
Unilever	363	361.90
Van Ommeren	32.90	33.10
VMF Stork	291	284.90
VNU	276.20	275.50

ANP.CBS Gen'l Index : 246.60
Previous : 246.70

Brussels

	Close	Prev.
Arbed	3240	3200
Bekaert	9680	9900
Cockerill	167	172
Cobepa	4545	4515
EBES	4670	4750
GB-Inno-BM	6290	6120
GBL	2890	2820
Gevaert	5800	5780
Hoboken	6800	6700
Intercom	3730	3800
Kredietbank	12100	12025
Petrofina	6620	6600
Soc Generale	2385	2418
Sofina	8660	8520
Solvay	8190	7900
Traction Elec	5650	5700
UCB	6590	6500
Unerg	2700	2750
Vieille Montagne	6350	6140

Current Stock Index : 3360.45
Previous : 3347.84

Frankfurt

	Close	Prev.
AEG	317.70	318.50
Allianz Vers	2180	2140
Altana	419	417
BASF	296	297
Bayer	316.50	307.80
Bay. Hypo bank	552	567
Bay Vereinsbank	502	498
BBC	265	265.20
BHF-Bank	485	487
BMW	553	574
Commerzbank	290.50	291.50
Conti Gummi	207.50	204
Daimler-Benz	1265	1260
Degussa	450	440
Deutsche Babcock	211	210
Deutsche Bank	765	768.50
Dresdner Bank	378	381
GHH	228	227
Harpener	356	359
Hochtief	780	790
Hoechst	306.50	301.50
Hoesch	177	178.80
Horten	229	224
Hussel	480	491
IWKA	324	324.50
Kali + Salz	308	309
Karstadt	365	361.50
Kaufhof	427	408
Kloeckner H-D	324	323
Kloeckner Werke	104.50	104.30
Krupp Stahl	188	187
Linde	630	626
Lufthansa	271	256
MAN	206	194.80
Mannesmann	257.40	262.50
Muench Rueck	3200	3250
Nixdorf	578	570
PKI	799	795
Porsche	1195	1207
Preussag	243	246
PWA	179.50	178
RWE	233	229
Rheinmetall	485	490
Schering	538	514
SEL	291	289
Siemens	736	743
Thyssen	169.50	169.50
Veba	290	285
Volkswagenwerk	322	319
Wella	740	735

Commerzbank Index : 1962.10
Previous : 1940.40

Hong Kong

	Close	Prev.
Bk East Asia	25.10	25.30
Cheung Kong	20.40	20.20
China Light	16.30	15.90
Green Island	8.45	8.45
Hang Seng Bank	46	45.75
Henderson	1.94	1.92
China Gas	13.70	13.60
HK Electric	8.85	8.80
HK Realty A	11.10	11
HK Hotels	36	35.50
HK Land	6.55	6.50
HK Shang Bank	7.95	7.95
HK Telephone	10.80	10.70
HK Yaumatei	3.70	3.45
HK Wharf	7.10	7.10
Hutch Whampoa	26.90	26.70
Hysan	0.67	0.67
Jardine	13	12.80
Jardine Sec	14.80	14.80
Kowloon Motor	10	10.10
Miramar Hotel	3.85	3.85
New World	6.40	6.35
SHK Props	12.10	12
Stelux	1.70	1.70
Swire Pacific A	33	33
Tai Cheung	1.91	1.98
Wing On Co.	1.60	1.60
Winsor	6.20	6.20
World Int'l	2.925	2.925

Hang Seng Index : 1747.86
Previous : 1733.17

Johannesburg

	Close	Prev.
AECI	1200	1150
Anglo American	4100	4065
Anglo Am Gold	23000	22700
Barlows	1550	1550
Blyvoor	1800	1620
Buffels	7100	7225
De Beers	1875	1820
Driefontein	5450	5450
GFSA	3950	3925
Harmony	3675	3675
Hiveld Steel	565	570
Kloof	2225	2236
Nedbank	770	775
Pres Steyn	6208	6200
Rusplat	2875	2850
SA Brews	965	955
St Helena	4100	4000
Sasol	740	730
West Holding	7800	7525

Composite Stock Index : 1309.60
Previous : 1279.10

London

	Close	Prev
AA Corp	$14½	$14¼
Allied-Lyons	293	288
Anglo Am Gold	381	379
Ass Brit Foods	268	262
Ass Dairies	148	142
Barclays	474	474
Bass	680	670
B.A.T.	358	353
Beecham	371	373
BICC	296	290
BL	58	61
Blue Circle	568	581
BOC Group	322	323
Boots	235	225
Bowater Indus	328	325
BP	541	535
Brit Home St	325	325
Brit Telecom	186	185
Brit Aerospace	508	498
Britoil	173	173
BTR	438	423
Burmah	309	305
Cable Wireless	620	610
Cadbury Schw	170	168
Charter Cons	228	226
Commercial U	273	269
Cons Gold	467	462
Courtaulds	225	224
Dalgety	256	250
De Beers ‹	665	650
Distillers	631	628
Driefontein	$19¾	$19¾
Fisons	585	488
Free St Ged	$26¼	$25⅞
GEC	204	202
Gen Accident	787	773
GKN	330	320
Glaxo	10 3/64	940
Grand Met	398	382
GRE	810	805
Guinness	280	288
GUS	12¾	12¾
Hanson	158	148
Hawker	515	509
ICI	904	861
Imperial Group	314	309
Jaguar	490	490
Land Securities	332	319
Legal General	732	727
Lloyds Bank	487	484
Lonrho	269	263
Lucas	606	585
Marks and Sp	189	188
Metal Box	675	660
Midland Bank	474	477
Nat West Bank	789	694
P and O	480	476
Pilkington	400	398
Plessey	210	210
Prudential	802	797
Racal Elect	200	196
Randfontein	$92	$91½
Rank	537	534
Reed Intl	772	754
Reuters	438	423
Royal Dutch £	44¾	44 1/32
RTZ	592	582
Saatchi	855	843
Sainsbury	378	372
Sears Holdings	121	121
Shell	673	671
STC	184	182
Std Chartered	494	482
Sun Alliance	617	608
Tate and Lyle	588	583
Tesco	333	325
Thorn EMI	447	437
T.I. Group	431	425
Trafalgar Hse	316	318
THF	161	160
Ultramar	206	203
Unilever £	1413 29/32	
United Biscuits	225	218
Vickers	348	340
Woolworth	488	488

F.T. 30 Index : 1254.80
Previous : 1233.20
F.T.S.E.100 Index : 1517.80
Previous : 1492.40

Milan

	Close	Prev.
Banca Comm	22250	22190
Cigahotels	11540	11490
CIR	8035	7801
Cred Ital	3240	3165
Eridania	14900	14550
Farmitalia	22700	20600
Fiat	8445	8150
Generali	90000	86200
IFI	19750	19450
Italcementi	57200	53295
Italgas	2579	2508
Italmobiliari	111800	107000
Mediobanca	167200	161600
Montedison	3270	3250
NBA	4318	4248
Olivetti	10840	10580
Pirelli	4588	4590
RAS	179900	176500
Rinascente	1111	1034
SIP	2834	2880
SME	1430	1320
Snia	6470	6430
Standa	15400	14880
Stet	4200	4080

MIB Current Index : 1196
Previous : 1179

Paris

	Close	Prev.
Air Liquide	641	628
Alsthom Atl.	445	445
Av Dassault	1201	1150
Bancaire	1186	1178
BIC	551	525
Bongrain	1670	1652
Bouygues	1135	1095
BSN-GD	3485	3340
Carrefour	3370	3338
Chargeurs	1250	1102
Club Med	438	429.80
Darty	2740	2635
Dumez	1140	1130
Elf-Aquitaine	224.50	220
Europe 1	1228	1120
Gen Eaux	1270	1240
Hachette	1850	1780
Lafarge Cop	970	954
Legrand	3140	3010
Lesieur	814	780
l'Oreal	3299	3107
Martell	1421	1418
Matra	1649	1551
Merlin	3150	3160
Michelin	2390	2200
Moet Hennessy	2030	1975
Moulinex	69.80	66.50
Occidentale	761	760
Pernod Ric	970	905
Perrier	520	515
Peugeot	878	841
Printemps	507	495
Radiotechn	640	609
Redoute	2260	2150
Roussel Uclaf	1449	1457
Sanofi	628	628
Skis Rossignol	1152	1265
Telemecan	3105	3055
Thomson CSF	1020	985
Total	328.10	323.10

CAC Index : 313.96
Previous : 304.70

Singapore

	Close	Prev.
Cold Storage	2.61	2.56
DBS	5.20	5.15
Fraser Neave	6.35	6.30
How Par	1.93	1.98
Inchcape	1.60	1.57
Malayan Banking	4.32	4.36
OCBC	7.40	7.30
OUB	2.40	2.38
OUE	1.86	1.81
Shangri-la	1.92	1.92
Sime Darby	1.44	1.47
S'pore Land	2.77	2.90
S'pore Press	6.50	6.40
S Steamship	0.62	0.63
St Trading	2.16	2.18
UOB	3.38	3.38
United Overseas	0.94	1.01

Straits Times Ind Index : 648.44
Previous : 649.27

Stockholm

	Close	Prev.
AGA	181	184
Alfa Laval	364	365
Asea	345	365
Astra	530	535
Atlas Copco	190	191
Boliden	180	180
Electrolux	249	253
Ericsson	229	244
Esselte	485	N.Q.
Handelsbanken	299	N.Q.
Pharmacia	178	171
Saab-Scania	575	580
Sandvik	810	810
Skanska	127	N.Q.
SKF	317	321
SwedishMatch	250	251
Volvo	317	320

Affaersvaerlden Index : 512.80
Previous : 519.40

Sydney

	Close	Prev.
ACI	3.35	3.35
ANZ	4.93	4.80
BHP	6.78	6.80
Boral	3.48	3.50
Bougainville	2.27	2.22
Coles	4.43	4.48
Comalco	2.86	2
CRA	5.66	5.58
CSR	3.30	3.28
Dunlop	2.97	2.92
Elders Ixl	3.42	3.38
ICI Australia	2.33	2.30
Magellan	1.75	1.75
MIM	2.55	2.50
Nat Aust Bank	4.82	4.75
News Corp	12.45	12.35
N Broken Hill	2.53	2.58
Poseidon	2.40	2.38
Old Coal Trust	1.35	1.35
Santos	4.35	4.30
Thomas Nation	3	2.98
Western Mining	3.60	3.50
Westpac Banking	4.44	4.40
Woodside	1.12	1.13

All Ordinaries Index : 1056.50
Previous : 1057.30

Tokyo

	Close	Prev.
Akai	397	397
Asahi Chemical	748	725
Asahi Glass	938	908
Bank of Tokyo	700	696
Bridgestone	540	550
Canon	1080	985
Casio	1600	1570
C.Itoh	449	449
Dai Nippon Print	1360	1340
Daiwa House	905	930
Daiwa Securities	880	840
Fanuc	6800	6600
Fuji Bank	1540	1540
Fuji Photo	1890	1840
Fujitsu	965	949
Hitachi	738	727
Hitachi Cable	737	727
Honda	1030	1020
Japan Air Lines	13800	12600
Kalima	513	522
Kansai Power	2090	2110
Kawasaki Steel	142	144
Kirin Brewery	840	859
Komatsu	464	464
Kubota	350	347
Kyocera	4400	4480
Matsu Elec Inds	1230	1180
Matsu Elec Works	890	905
Mitsubishi Bank	1470	1440
Mitsubishi Chem	520	521
Mitsubishi Elec	331	328
Mitsubishi Heavy	377	378
Mitsubishi Corp	614	615
Mitsui and Co	427	435
Mitsukoshi	668	678
Mitsumi	1000	970
NEC	1180	1160
NGK Insulators	945	935
Nikko Sec	712	734
Nippon Kogaku	1070	1040
Nippon Oil	835	835
Nippon Steel	163	168
Nippon Yusen	319	308
Nissan	547	541
Nomura Sec	1180	1180
Olympus	998	997
Pioneer	1820	1790
Ricoh	925	910
Sharp	880	850
Shimazu	882	850
Shinetsu Chemical	990	985
Sony	3610	3540
Sumitomo Bank	1670	1660
Sumitomo Chem	247	250
Sumitomo Marine	680	681
Sumitomo Metal	142	146
Taisei Corp	358	357
Taisho Marine	553	552
Takeda Chem	1020	995
TDK	3800	3780
Teijin	478	468
Tokio Marine	897	901
Tokyo Elec. Power	2890	2920
Toppan Printing	1110	1070
Toray Ind	515	499
Toshiba	365	360
Toyota	1190	1170
Yamaichi Sec	740	730

Nikkei 225 : 13394.11
Previous : 13353.41
New Index : 1078.13
Previous : 1065.64

Zurich

	Close	Prev.
Adia	5000	5000
Alusuisse	765	760
Autophon	6800	6700
Bank Leu	4250	4225
Brown Boveri	1840	1815
Ciba Geigy	3880	3900
Credit Suisse	3625	3550
Electrowatt	3375	3400
Interdiscount	3725	3750
Jacob Suchard	7250	7275
Jelmoli	3625	3625
Landis Gyr	2180	2160
Moevenpick	5500	5450
Nestle	8590	8560
Oerlikon-B	1600	1560
Roche Baby	12825	12625
Sandoz	1700	1700
Schindler	4450	4350
Sulzer	455	455
Surveillance	5400	5300
Swissair	2020	1970
SBC	553	549
Swiss Reinsurance	2570	2550
Swiss Volksbank	2440	2380
Union Bank	4890	4820
Winterthur	5925	5750
Zurich Ins	2850	2800

SBC Index : 615.50
Previous : 609.40

N.Q.: not quoted; N.A.: not available; xd: ex-dividend.

Toronto Feb. 21

Canadian stocks via AP

Sales	Stock	High	Low	Close	Chg.
300	Abti Prce	$23	23	23	
6300	Agnico E	$23⅜	22	22	
10845	Agra Ind A	$13	12⅝	13	+ ¼
80140	Alt Energy	$10⅝	10¼	10⅝	+ ⅛
7700	Alta Nat	$14¾	14½	14¾	+ ⅛
1500	Algoma St	$17½	17¼	17¼	
107968	A Barick o	$9⅝	9½	9½	— ⅛
67626	Atco I f	$9½	9	9	— ½
5190	BP Canada	$26¾	25½	25¾	— 1
138783	Bank BC	495	475	475	—15
415132	Bank N S	$13¼	12⅞	13	
1020	Baton	$22¼	22	22¼	+ ¼
34011	Bonanza R	280	275	275	
16520	Bralorne	210	210	210	—10
3489	Bramalea	$16½	16¼	16¼	— ¼
100	Brenda M	$8	8	8	— ⅛
24613	BCFP	$12½	12⅜	12⅜	+ ¼
50695	BC Res	170	163	168	+10
19770	BC Phone	$26⅛	25⅞	25⅞	— ⅛
1200	Brunswk	$13¾	13¾	13¾	
4140	Budd Can	$36½	35⅞	36	+ ¾
51647	CAE	$20¼	19⅞	20	
2920	CCL B f	$18⅝	18½	18⅝	+ ⅛
8000	Cad Frv	$14⅝	14⅜	14½	+ ⅛
8700	Campeau f	$22⅞	22⅝	22⅝	— ⅛
7532	C Nor West	$15⅛	14½	15	+ ½
6950	C Packrs	$34⅜	34	34⅜	+1¼
500	Can Trust	$42¼	42¼	42¼	
10620	C Tung	$8	7⅞	7⅞	— ⅛
273282	Cl Bk Com	$20½	19⅝	19⅝	— ⅝
106753	CTire A f	$13⅝	13⅜	13½	+ ⅛
5500	C Util B	$18⅜	18⅛	18⅛	+ ⅛
3820	Cara	$19¾	19½	19¾	
2707	Celanese	$13⅞	13½	13⅝	+ ⅛
300	Celan 175 p	$20	20	20	+ ⅝
34127	Centrl Tr	$16½	15⅞	15⅞	— ⅛
100	CHUM	$49	49	49	+ 7
8550	Cineplex	$13½	13¼	13⅜	
5300	C Distb A	$6	5⅞	6	+ ⅛
2800	CDistb B f	$6	5⅞	6	+ ⅛
7550	CTL Bank	$9⅝	9⅝	9⅝	— ⅝
40180	Conwest A	$6½	6¼	6¼	+ ¼
21788	Coseka R	165	160	165	+ 4
2040	Crownx	$27	26⅝	26⅝	— ¼
10350	Czar Res	126	123	126	+ 1
50048	Daon Dev	445	425	440	+ 5
700	Daon A	445	445	445	+25
24865	Denison A p	$10⅝	10⅜	10⅜	
42985	Denison B f	$10½	10¼	10¼	— ¼
26350	Develcon	370	350	370	+10
8100	Dickensn A f	$8	7⅝	7⅝	
1500	Dickensn B	$8	7⅝	8	+ ⅛
13243	Dofasco	$27⅞	27	27¼	— ⅛
2485	Donohue	$23½	23	23½	+ ½
2244	Du Pont A	$27½	27¼	27½	+ ¼
68700	Dylex A	$17⅜	16⅞	17	— ⅛
4615	Elctham X	$10⅝	10⅜	10⅝	+ ⅛
359	Emco	$24	23½	24	+ ½
3000	Equity Svr	$6	5⅞	5⅞	— ⅛
14400	FCA Intl	$29	28	28⅝	+ 1
1450	C Falcon C	$15⅞	15⅝	15⅞	— ⅛
34625	Ficnbrdge	$21⅞	21½	21⅝	+ ⅛
92580	Fed Ind A	$14⅝	14⅛	14⅝	+ ½
400	F City Fin	$11	11	11	— ¼
510	Gendis A	$34	34	34	— ½
3100	Geac Comp	$6⅝	6⅛	6⅛	— ¼
1000	Gibraltar	$8⅝	8⅜	8⅝	+ ⅜
10253	Goldcorp f	$7⅝	7¼	7½	+ ¼
470	Goodyear	$41⅛	40⅞	40⅞	— ¼
15300	Grafi G	$14½	14¼	14½	+ ½
35248	GL Forest	$21	20⅝	20⅞	
7200	Greyhnd	$24⅝	24⅜	24⅝	+ ¼
3475	Hawker	$23	22⅝	23	+ ½
34251	Hayes D	$13⅜	13	13¼	+ ¼
81325	Hees Intl	$27⅛	25⅞	26	—1⅛
100	Hollinger	$22¼	22¼	22¼	
4670	H Bay Co	$25⅛	24⅝	24⅞	— ¼
84994	Imasco	$26	25⅝	25⅞	+ ⅛
62475	Indal	$22⅞	21⅛	22⅞	+1½
1000	Inglis	$18	18	18	+ ⅛
2200	Inland Gas	$10⅝	10⅜	10⅝	+ ⅛
39170	I Corona o	$14⅝	13⅞	14¼	+ ¼
60400	Intl Thom	$8⅜	8⅛	8⅜	
53146	Inter Pipe	$39⅞	39	39	— ⅛
1430	Ipsco	$11½	11½	11½	— ⅛
36	Ivaco B	$22⅛	22⅛	22⅛	— ⅛
95323	Jannock	$24¼	23⅞	24⅛	+ 1
1100	Kelsey H	$18	18	18	
100	Kerr Add	$16½	16½	16½	— ⅛
9870	Labatt	$34½	34¼	34¼	+ ⅛
2445	LOnt Cem	$20⅜	20⅛	20½	— ⅛
26780	Lacana	$9⅝	9½	9½	— ⅛
3900	Loblaw Co	$24	24	24	— ¼
9924	Lumonics	$15½	15	15⅛	— ⅛
27158	MICC	335	330	330	— 5
15453	Mclan H X	$16½	16⅛	16⅛	
1419	Maritime f	$14⅝	14	14	— ⅛
1100	Merland E	233	230	230	— 6
14241	Molson A f	$23⅛	23	23⅛	+ ⅛
1106	Molson B	$23⅛	23	23⅛	+ ⅛
1100	Murphy	$16⅝	16⅝	16½	
11450	Nabisco L	$31½	31⅛	31½	+ ⅛
28324	Noranda	$15⅝	15¼	15½	+ ⅛
26561	Norcen	$13⅞	13⅝	13⅝	— ⅛
106496	Nva AltA f	$6½	6	6⅛	
1400	Nowsco W	$11¼	11⅛	11⅛	— ⅛
17944	NuWst sp A	38	38½	38½	+ 1
75	Oakwood	$5⅝	5⅝	5⅝	— ⅛
19360	Omnibus o	263	255	260	
27330	Oshawa A f	$35⅝	34⅞	35½	+1⅛
9700	Pac W Airln	$13	12⅞	12⅞	+ ⅛
1000	Pamour	$10¼	10¼	10¼	
1930	PanCan P	$24¾	24½	24½	+ ½
300	Pembina	$15	14½	14½	— ½
1455	Pine Point	$10⅜	10	10⅜	+ ⅛
48143	Placer	$22⅜	22½	22½	— ⅛
800	Que Sturg o	430	430	430	
5745	Rayrock f	$7½	6⅞	6⅞	— ⅛
11097	Redpath	$18¼	18	18	— ⅛
38674	ReedSt I Sp	$50¾	50	50⅜	+ ⅛
900	Rogers A	$14½	14½	14½	
1100	Roman	$11	10⅝	10⅝	+ ⅛
620	Rothman	$33	32	32	— ½
206075	Sceptre	260	242	248	+20
38220	Scotts f	$33	32½	33	+ ¾
36466	Sears Can	$12⅞	12⅝	12⅞	+ ⅛
51900	Selkirk A f	$24½	24	24½	+ 1
126098	Shell Can	$20⅛	19⅝	19⅝	— ⅛
66900	Sherritt	$7	6⅞	6⅞	— ⅛
1300	Slater B f	$13	12⅞	12⅞	— ¼
5200	Southam	$17⅝	17½	17⅝	
25392	Spar Aero f	$24¼	24⅛	24⅛	— ½
48127	Stelco A	$26⅛	26	26	— ½
67638	Sulpetro	72	69	69	— 4
1745	Steep R	270	265	270	+10
33500	Tara	$18⅝	18⅜	18⅜	
1175	Teck Cor A	$18⅝	18⅜	18⅜	— ⅛
17943	Teck B f	$19¼	19	19	
27520	Tex Can	$24¾	24⅜	24⅝	+ ½
50450	Thom N A	$26½	26⅛	26⅛	
417325	Tor Dm Bk	$23⅞	22⅝	22⅝	— ⅞
5200	Torstar B f	$38	37⅞	38	+ ⅛
101800	Traders A f	$30⅝	30½	30½	
859	Trns Mt	$11⅝	11½	11⅝	+ ⅛
2400	Trinity Res	130	115	129	+ 8
62595	TrnAlta UA	$26⅜	26⅛	26⅜	+ ⅛
54580	TrCan PL	$18⅛	17⅞	18	
63758	Trimac	260	250	250	—10
273492	Trilon A	$27⅞	27	27¾	+ ¾
2880	Trizec A f	$30¼	30	30¼	+ ¼
127542	Turbo	41	40	41	—
12462	Unicorp A f	$7½	7¼	7½	—
3346	Un Carbid	$14⅜	14¼	14⅜	
99024	U Entprise	$12⅝	12½	12⅝	
3800	U Keno	$8½	8	8¼	— ⅛
4228	Versil A f	390	380	390	+10
2300	Vestgron	250	235	235	—15
1900	Wardair	$18½	18¼	18⅜	+ ⅛
3259	Weldwd	$22⅝	22½	22⅝	+ ⅛
4300	Westmin	$8⅞	8⅝	8⅝	— ⅛
1200	Weston	$116	115¾	116	+ ¾
311855	Woodwd A	$6½	6⅜	6½	
	Total sales	21,627,133 shares			

	Close	Previous
TSE 300 Index:	2,809.70	2,801.20

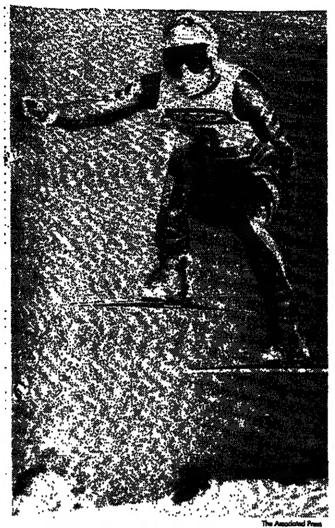
Montreal Feb. 21

Sales	Stock	High	Low	Close	Chg.
101080	Bank Mont	$30½	29⅞	29⅞	— ⅝
473	BombrdrA	$17⅜	17⅛	17⅛	+ ⅛
33340	BombrdrB	$17⅜	16¾	17	+ ⅛
4485	CB Pak	$26	25¾	26	+ ⅝
51495	Cascades	$14⅛	13⅞	14⅛	+ ⅛
500	CIL	$30⅞	30½	30⅞	+ ⅛
28195	CanBath	$24¼	24	24⅛	+ ⅛
11072	DomTxtA	$15⅝	15⅛	15⅝	+ ⅛
48026	Gaz Metro	$11⅛	10⅞	11	+ ⅛
3950	MntTrst	$17⅜	17¼	17¼	— ⅛
117004	NatBk Cda	$24⅝	24⅜	24⅝	
38418	Power Corp	$26⅛	25⅞	26	
19991	Provigo	$18½	18⅛	18½	+ ½
1085	RollandA	$20⅛	20⅛	20½	— ⅛
61944	Royal Bank	$29⅝	28⅞	28⅞	— 1
42810	RoyTrstco	$27⅜	27	27⅜	+ ⅜
5100	SteinbrgA	$39	38½	38⅞	— ⅛

Total Sales 4,810,354 shares.

	Close	Previous
Industrials Index:	129.46	130.74

Müller, in Scandinavia's First Cup Downhill, Wins 2d Straight



The Associated Press

Peter Müller, taming the Olympia course in Are, Sweden.

WORLD CUP SKIING

Compiled by Our Staff From Dispatches

ARE, Sweden — Peter Müller of Switzerland won the first World Cup downhill ski race ever held in Scandinavia here Friday, beating runner-up Michael Mair of Italy by almost a second. It was Müller's second consecutive cup downhill victory.

Müller, one of the world's best technical downhillers, mastered what he called "one of the best courses I've skied," in 1 minute, 56.22 seconds.

The new 3,090-meter (10,138-foot) Olympia course has a drop of 863 meters.

The 28-year-old was .90 seconds ahead of Mair and 1.36 ahead of Marc Girardelli of Luxembourg. An Olympic silver medalist in the 1984 Winter Games, Müller posted the day's fastest intermediate times.

Switzerland's Karl Alpiger, winner of the first two downhill races of the season in Argentina last August and just returning to form after two-months layoff from a knee injury, was fourth in 1:57.81.

Helmut Höflehner, the defending downhill champion, was next in 1:57.91 for the best Austrian finish. Italian Igor Cigolla led a surprising threesome, finishing sixth ahead of Armin Assinger of Austria and Martin Bell of Britain.

Girardelli, the defending overall champion, increased his lead in the overall standings by two points, leading Müller 227-199 going into Saturday's second downhill here.

Friday's race (a makeup for a weathered-out downhill at Wengen, Switzerland, on Feb. 2) was held in ideal conditions with bright, cold sunshine.

Full of jumps, bumps and difficult turns, the course could have been custom-built for Müller, the pre-race favorite after taking three of the four practice runs here.

Müller has won 12 cup downhills; only the former Austrian great Franz Klammer, with 25 victories, has won more.

Mair scored his best result since winning the season's first downhill at Val d'Isere, France, in December. "I'm more than satisfied," said Mair, who started two places ahead of Müller. "I knew there were some good people to come after me, but thank God only Peter was faster."

Usually a slow starter, Müller scored his first victory of the season Feb. 3 at Crans Montana, Switzerland, and won again five days later at Morzine, France.

"For me, the season started in Crans Montana," he said after Friday's victory. "That really fired me up. I wasn't so lucky in December, although I finished runner-up twice.

"I'm happy with my win today. The conditions were perfect, and I skied well," Müller said. "This is one of the most technically demanding courses in the world. I prefer courses like this one. As for making it a double tomorrow — well I'll just do my best.

"I thought it was going to be a boring trip up here, because Swedish mountains are not very high," he said. "But when I saw the track, I said 'Ooh la la.'"

The Olympia course, designed by former downhill racer Bernhard Russi at a cost of $5.2 million, will be used if Sweden is succesful in its bid to host the 1992 Winter Olympics.

Are and Falun, where the non-Alpine events would be held, are among six sites bidding for the 1992 Games. The International Olympic Committee will award the Games later this year. *(AP, UPI)*

VANTAGE POINT/ Steven Crist

Racing's Answer to the Lottery

New York Times Service

NEW YORK — In the beginning, there were two guys who bet a barrel of apples or something on who had the faster horse. That was horse racing. Then there were side bets, and everyone watching could bet on who had the better horse. Then there were racetracks. To pay for upkeep and to pay off the government for letting them operate, the tracks began charging a fee for holding the money on the side bets. That was the parimutuel system.

Then, to entice horseplayers to get there early, the tracks invented the daily double, where you had to pick the winners of the first and the second races. Then tracks instituted the exacta and the quiniela, and then the trifecta and the superfecta, where the bettor had to pick the first two, three or four finishers in exchange for sometimes astronomical payoffs.

Whenever the pools grow big enough, teams of professional gamblers fly in to take a big shot.

As all that happened, national enthusiasm was growing for lotteries, where a bettor could not exercise a rational opinion but might win a king's ransom for a dollar wagered on some lucky numbers. The racetracks saw that and they quaked. So they invented the pick-six, where a bettor had to select six consecutive winners in advance. If no one could, the money carried over to the next day; sooner or later a lottery-sized jackpot would build.

Now there was a problem. To have any kind of a chance at picking six winners in a row, bettors soon discovered they'd have to buy many hundreds or thousands of combinations. Most couldn't afford it. They tried anyway, building up pools that were then often won by more affluent horseplayers or by betting syndicates. Occasionally, a smalltimer would get lucky and pick the right six numbers, and the tracks would trumpet it loudly.

In California, where a new state lottery began last year, racetrack operators thought even the pick-six was too skimpy. So six weeks ago they began the pick-nine, where a bettor has to pick all nine winners on the card. The pool built and built until earlier this month, when Craig Phillips hit it for $1.9 million.

It was a great day for Phillips, and for Santa Anita Park, which stressed that in a sense he was getting more money than the man who won that week's state lottery for $6 million, since the lottery winner would get the money paid out over 20 years instead of all at once. Track executives around the country began saying, "Hmm — let's think about this pick-nine."

Phillips's winning ticket shows what's wrong with this bet and what's dangerous about this trend in racing. His primary investment was half of a $2,200 ticket, shared with two friends; he then bought an additional two tickets for $376. So his total investment was $1,476.

Phillips, 39, is self-described as a former Kentucky Fried Chicken counterman and a full-time professional horseplayer. He must be doing awfully well to sink almost $1,500 into racing's iffiest bet. His methods, though, seem not to reflect the cool rationality essential to anyone depending on gambling income to pay the rent. He chose the winner of the last race, a 13-to-1 shot named Bedouin, because "I remembered his winning a race in the mud a few years ago."

His $1,476 investment was hardly the day's biggest bet. One group invested $22,000 and another reportedly bet more than $50,000.

That has been the pattern with superexotic bets. Whenever the pools grow big enough, teams of professional gamblers fly in to take a big shot. The Tampa Dog Track ran a pick-eight last winter, and when it grew big enough a syndicate described by track officials as "a group of Philadelphia businessmen" swooped in and took home the $1 million payoff.

There's nothing wrong with high-rollers playing for each other's money, but the tracks are being less than candid when they promote it as horse racing with great new opportunities for the $2 bettor.

The entire appeal of betting on races lies in the ability to control one's destiny, to make intelligent choices instead of lottery-style guessing. The egalitarianism of the game is that the $2 bettor and the $200 bettor both get the same odds.

But the geometric mathematics of exotic betting puts a gulf between the high-rollers and the rest of the fans. A moderate player can afford to play all permutations of four horses in a trifecta for just 24 combinations. A pick-six ticket-buyer using just two horses in every race must buy 64 combinations, marginally affordable if an average player takes in some partners. A pick-nine ticket using only two horses in every race must play 512 combinations, unaffordable to just about everyone and still a truly shaky proposition.

Racing has always been a better bet than the lottery, since the track takeout is 18 percent to 25 percent rather than the roughly 50 percent a state grabs in the lottery. But if a novice had a choice between buying a lottery ticket and playing the pick-nine, the lottery would be the better bet because at least everyone would have the same chance.

If tracks want to leave the superexotics in place for the entertainment of the high-rollers, fine. But the majority of bettors should realize that those bets are not for them, and the tracks should concentrate on promoting an equal-opportunity sport, not on building up jackpots for fatcats and carpetbaggers.

The Associated Press

ALL-ROUND COMPETITOR — In Thursday's Empire State Building Run-Up, Hiroaki Tominaga finished last, possibly because the 21-year old student won a hot-dog eating contest last week at New York's Coney Island.

SPORTS BRIEFS

IAAF Moves to Readmit U.S. Hurdlers

MADRID (Combined Dispatches) — The International Amateur Athletics Federation moved Friday toward the reinstatement in track and field competition, including the Olympic Games, of U.S. hurdlers Renaldo Nehemiah and Willie Gault.

The group's executive council voted unanimously to drop the IAAF rule that any athlete who is a professional in another sport is ineligible to compete in track and field. Nehemiah and Gault were banned after signing National Football League contracts. The change is considered a certainty to be approved at the IAAF congress in August.

"John McEnroe, Ivan Lendl and Boris Becker make millions in tennis, their own sport, and they will be allowed to compete in the Olympics," said Primo Nebiolo, the IAAF president. "Nehemiah and Gault make money in another sport, but they are amateurs in track and field. There is no logic in this position."

President Juan Antonio Samaranch of the International Olympic Committee recently endorsed the idea of permitting professionals to compete in the Games, subject to the approval of their sports' governing bodies. Several sports, including tennis, have already approved the Olympic participation of professionals. A rule change to clear the way for all pros is to be voted on at an IOC meeting in October. *(AP, UPI)*

Trixler, Delsing Lead L.A. Open by 2

LOS ANGELES (AP) — Dennis Trixler and Jay Delsing, each looking for his first PGA victory, matched 5-under-par 66s Thursday to share the first-round lead in the Los Angeles Open golf tournament.

Mac O'Grady and Bob Gilder were two strokes back, and the group at 69 included Johnny Miller, Lennie Clements, Doug Tewell and Jim Dent. Hal Sutton struggled to a 79, while Lanny Wadkins, the tournament's defending champion, carded an opening-round 71.

Quotable

- Brian Michalowski, 33 and a member of the Milwaukee School of Engineering college basketball team, on the ribbing he gets from younger teammates: "They always kid me about being slow and that I can't jump. But my age has nothing to do with it. I've always been that way." *(AP)*
- Minnesota Manager Ray Miller, on not retaining pitcher Steve Howe after Howe's rehabilitation for cocaine dependency: "I've thought about it a lot and decided I don't want him back. You say you want to help a guy straighten himself out for the rest of his life. That's a lie. You want to straighten him out so you can win some games." *(AP)*
- Denver Nugget forward Calvin Natt, on why he dives for balls in practice despite having injured knees: "That's the way I play. I sleep better with cuts and bruises." *(AP)*

Basketball in Kentucky — Bank on It

LOUISVILLE, Kentucky (AP) — Interest rates have not been bouncing particularly high lately, but — depending on the success of two college basketball teams — a bank here is offering higher returns on certificates of deposit.

Citizens Fidelity Bank & Trust Co. is offering six-month CDs, with additional interest tied to how well the University of Louisville and University of Kentucky fare in next month's National Collegiate Athletic Association tournament.

The minimum deposit is $500. The base interest increases two-tenths of a percentage point if the team wins a bid to the tournament, one-tenth of a percentage point for each tournament game it plays and another two-tenths of a percentage point if the team wins the championship.

With six tournament games, the highest possible increase is one percentage point. The highest CD rate the bank currently offers is 7.5 percent.

The offering began Monday, and Ruth Berry, vice president for corporate communications, said 48 Louisville CDs and 38 Kentucky CDs were sold in the first two days. For each CD sold, the bank will donate $1 to Louisville or Kentucky. The certificates will be offered through March 13.

Basketball is extremely popular in the state; Kentucky is currently ranked eighth and Louisville 16th and both are virtually assured of bids to the tournament.

The Hard Guys of Winter Fishing Keep Tackling a Cruel Sea

By Angus Phillips

Washington Post Service

BRIELLE, New Jersey — They come from Philadelphia and from Newark, Montclair and East Orange, New Jersey, hard guys in rough clothes, come to pluck the whiting and cod from a cold sea.

The first bunch arrives at 2 A.M. for the early run, 60 miles (96.5 kilometers) out to the codfish grounds. More gather four hours later to make the 13-mile run to the Mud Hole, where ling cod and whiting spend the winter.

Yet another crowd forms after lunch for the 3 P.M. "magic-hour" whiting trip, and the last bunch comes at 7, when only the moon lights the ocean for night fishing.

For 52 years, people have gathered like this on the docks at Bogan's Basin, inside Manasquan Inlet 60 miles south of New York, where the fishing boats depart four times a day every day of the year except Christmas.

"Oh, we've got a crowd today," said Capt. Howard Bogan Jr. as he scanned the whitecaps late one recent weekday afternoon from the bridge of the 125-foot (38.10-meter) Jamaica, queen of the Bogan fleet. "We must have 35 or 40 aboard. This time of year, a lot of times we'll run with 12 or 15 guys."

What makes people leave their warm houses in midwinter to suffer turbulent water barely above the freezing point? What makes them pay $20 or more for a rough ride to a place where land is beyond the horizon, where gannets and gulls prowl the breaking waves?

"It's the sport," said Pete Peterson of Newtown Square, Pennsylvania, as he hung on the Jamaica's hot-water-heated rail and watched his line trail off into the murk of the Mud Hole at dusk.

"I could go to the fish store and get whiting, but it's not the same," said Peterson, retired now after 47 years as a Fuller Brush man.

"Let me tell you about last year. The Saturday before New Year's we're three miles offshore in 40 feet of water, and every time you drop down you catch two, three whiting. It was unbelievable. I caught 64, but the pros aboard that day, they went home with 100, 150. Those are the days you dream about."

Circumstance and the vagaries of weather have conspired to keep a bonanza like that from happening this winter, yet the crowds still come to Bogan's Basin, because with fishing, it goes without saying, you never know.

Whiting and ling cod favor cool water, in the range of 4.4 degrees centigrade (40 degrees Fahrenheit), said Bogan. That predilection keeps them well offshore in the deeps during summer, but as the weather turns they move inshore, chasing sand eels right up to the beach when conditions are right.

"But this year the water stayed warm late," Bogan said, "so they never came in close."

Then it turned really cold, and the whiting and cod went from the depths offshore to the 120-foot waters of the Mud Hole, where the Hudson River spills into the deep Hudson Canyon.

The Mud Hole fishing is never as good as the inshore fishing for whiting and ling, said Bogan. It's more difficult to fish the deep water, and the fish aren't schooled as well. But you go where the fish are.

It's hard fishing. To hold the baits on bottom 120 feet down you need 8 or 10 ounces of lead sinker for the line to hit the bottom.

Then you have to keep it there, because the whiting and ling are strictly bottom feeders. With 5-foot seas and 15-knot winds, even the sturdy Jamaica bucks like a wild horse.

How are you going to feel the nibble of a half-pound fish 120 feet down, on a bouncing bait held in the mud by 10 ounces of lead?

"I'm going to have to take some fishing lessons," said Bill Bartus, who was dressed in a skimobile suit and an orange hat, impervious to the cold but having little luck elsewhere.

Bartus had a fishing rod so heavy and stiff he couldn't tell when he had a bite. Said he: "I feel like I'm fishing in the dark," which, of course, he was.

Next to him stood Al Hill, calmly hoisting whiting after whiting.

Hill had brought a long, limber rod that gave with the motion of the boat, so his bait stayed steady on the bottom and he could feel the nibbles.

Hill would lift the tip of his rod from time to time and look for the hint of a tremor at the rod tip, which meant fish at work.

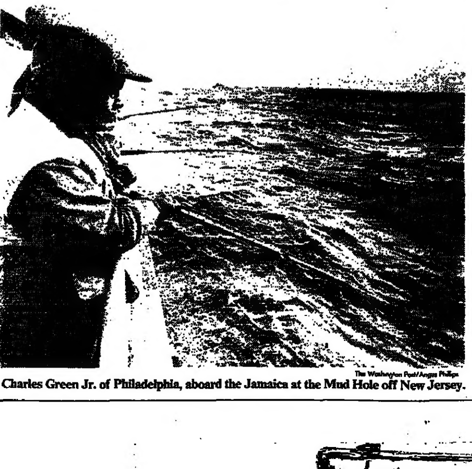
It was rough fishing all right, hard-core types only, but there was beauty to it, too. The boat lay bow-on to the southerly wind, riding to her twin anchors, and those of us who took station facing west had a sea spectacle to enjoy that no landlubber will ever share.

Here the ocean came rolling northward, whitecaps blowing off the tops of the swells, as the sun sank away in the southwest.

The sky was orange first, before the high clouds went a dusky gray; then the whole mass gathered a deep blue hue and finally turned to pitch.

It was bitter and black before the glimmer of lights winked alive, low on the horizon, a shimmering necklace flat upon the sea — the New Jersey shore, 13 miles away.

The gulls wheeled in the lights from the boat. The rail, our only comfort, was warm under our hands. On a night to remember, a sharp wind blew steadily, marching the waves past like soldiers.



The Washington Post/Angus Phillips

Charles Green Jr. of Philadelphia, aboard the Jamaica at the Mud Hole off New Jersey.

SCOREBOARD

Basketball

NBA Standings

EASTERN CONFERENCE

Atlantic Division

	W	L	Pct.	GB
Boston	42	11	.792	—
Philadelphia	35	20	.636	8
New Jersey	29	27	.518	14½
Washington	25	29	.463	17½
New York	18	37	.327	25
Central Division				
Milwaukee	39	18	.684	—
Atlanta	30	24	.556	7½
Detroit	32	25	.561	7
Cleveland	22	33	.400	16
Indiana	19	36	.345	19
Chicago	18	38	.321	20½
WESTERN CONFERENCE				
Midwest Division				
Houston	35	20	.636	—
Denver	32	22	.593	2½
Dallas	29	24	.547	5
San Antonio	30	27	.526	6
Utah	27	30	.474	9
Sacramento	23	32	.418	12
Pacific Division				
L.A. Lakers	40	13	.755	—
Portland	29	29	.500	13½
Phoenix	22	31	.415	18
L.A. Clippers	21	33	.389	19½
Seattle	20	35	.364	21
Golden State	17	40	.298	25

THURSDAY'S RESULTS

Detroit 36 25 29 19—109
Cleveland 29 30 22 26—107

Tripucka 8-20 12-14 28, Thomas 9-28 5-6 25; Hinson 7-15 7-9 21, E.Johnson 7-16 5-5 20. Rebounds: Detroit 60 (Laimbeer 16), Cleveland 54 (Poquette 13). Assists: Detroit 29 (Thomas 16), Cleveland 23 (Bagley 13).

Milwaukee 35 37 33 25—130
Houston 30 30 27 26—113

Moncrief 11-19 5-5 28, Cummings 10-17 1-1 21; Sampson 9-21 6-7 24, Petersen 5-7 7-8 17. Rebounds: Milwaukee 60 (Breuer, Cummings 12), Houston 43 (Petersen 9). Assists: Milwaukee 27 (Pressey 6), Houston 26 (Lucas 7).

Boston 30 24 22 23—99
Denver 36 26 29 21—112

English 10-24 11-14 31, Natt 9-15 0-0 18; Bird 12-18 2-3 27, Parish 6-15 4-6 16. Rebounds: Boston 65 (Bird 16), Denver 52 (Schayes 9). Assists: Boston 25 (Ainge 8), Denver 18 (Lever 11).

San Antonio 28 33 19 25—105
Sacramento 29 31 22 25—107

Woodson 9-22 0-0 18, Theus 5-14 8-9 18, E.Johnson 6-15 2-2 14, Thompson 3-8 6-7 12; Robertson 9-17 3-6 21, Mitchell 7-16 2-4 16. Rebounds: San Antonio 63 (Robertson 8), Sacramento 50 (Thorpe, Thompson 10). Assists: San Antonio 25 (Williams 10), Sacramento 27 (Theus 13).

Selected College Results

EAST

Boston U. 75, Canisius 53
Delaware St. 78, Brooklyn Col. 76
Duquesne 72, Rhode Island 59
La Salle 74, St. Joseph's 69
Muhlenberg 54, Widener 46
Penn St. 61, George Washington 56
Robert Morris 72, Long Island U. 49
Temple 72, St. Bonaventure 62
Vermont 77, St. Michael's 65
West Virginia 68, Massachusetts 40

SOUTH

Baptist 90, Florida A&M 66
The Citadel 72, Cent. Florida 66
George Mason 68, N.C.-Wilmington 62
Louisiana St. 74, Vanderbilt 68
Louisiana Tech 68, Texas-Arlington 61
Maryland 77, North Carolina 72, OT
NE Louisiana 69, N. Texas St. 47
Old Dominion 58, William & Mary 47
Richmond 74, Loyola (Md.) 62

MIDWEST

Bradley 86, Drake 79
Chicago St. 92, E. Illinois 74
Creighton 48, W. Texas St. 47
Indiana 61, Illinois 60
Iowa 101, Wisconsin 48
Loyola (Ill.) 74, Cincinnati 72, OT
Michigan St. 74, Michigan 59
Northwestern 65, Minnesota 60
Purdue 85, Ohio St. 79
Wichita St. 53, Illinois St. 49
Xavier (Ohio) 86, Butler 61

SOUTHWEST

Harding 71, Hendrix 67
Hardin-Simmons 77, Mercer 63
Houston 77, Baylor 70
Lamar 82, Arkansas St. 77
Oklahoma Baptist 67, Phillips 61
Oklahoma City 70, Central St. (Okla.) 46
Tulsa 65, S. Illinois 39

FAR WEST

Alaska-Juneau 81, St. Martin's 58
Arizona 65, Oregon 59
Cal-Irvine 95, Long Beach St. 80
Mesa 81, N. Mex. Highlands 67
Nev.-Las Vegas 92, New Mexico St. 75
Nev.-Reno 59, Idaho St. 54
N. Arizona 86, Weber St. 64
Oregon St. 75, Arizona St. 69, OT
San Diego 72, San Francisco 39
San Diego St. 132, U.S. International 73
Santa Clara 76, St. Mary's (Calif.) 74
S. Utah 67, W. New Mexico 58
Stanford 61, Southern Cal 59
Texas-El Paso 64, Colorado St. 61
UCLA 76, California 63
Utah 64, Air Force 62
Utah St. 78, Fresno St. 66
Wyoming 64, Brigham Young 56

World Cup Skiing

MEN'S DOWNHILL
(At Are, Sweden)

1. Peter Müller, Switzerland, 1:56.22
2. Michael Mair, Italy, 1:57.12
3. Marc Girardelli, Luxembourg, 1:57.58
4. Karl Alpiger, Switzerland, 1:57.81
5. Helmut Höflehner, Austria, 1:57.91
6. Igor Cigolla, Italy, 1:57.92
7. Armin Assinger, Austria, 1:58.04
8. Martin Bell, Britain, 1:58.20
9. Billy Johnson, U.S., 1:58.29
10. Anton Steiner, Austria, 1:58.32
11. Franz Heinzer, Switzerland, 1:58.34
12. Peter Wirnsberger, Austria, 1:58.38
13. Stefan Niederseer, Austria, 1:58.39
14. Leonhard Stock, Austria, 1:58.42
15. Franck Piccard, France, 1:58.48
16. Rudolf Huber, Austria, 1:58.59 and Daniel Mahrer, Switzerland, 1:58.59.
18. Gustav Oehrli, Switzerland, 1:58.66
19. Pirmin Zurbriggen, Switzerland, 1:58.73
20. Sepp Wildgruber, West Germany, 1:58.86

MEN'S OVERALL STANDINGS

1. Marc Girardelli, Luxembourg, 227 points
2. Peter Müller, Switzerland, 199
3. Markus Wasmeier, West Germany, 169
4. Peter Wirnsberger, Austria, 143
5. Pirmin Zurbriggen, Switzerland, 141
6. Leonhard Stock, Austria, 132
7. Ingemar Stenmark, Sweden, 127
8. Rok Petrovic, Yugoslavia, 125
9. Michael Mair, Italy, 119
10. Hubert Strolz, Austria, 110
11. Karl Alpiger, Switzerland, 102
12. Günther Mader, Austria, 99
13. Franz Heinzer, Switzerland, 96
14. Andreas Wenzel, Liechtenstein, 94
15. Bojan Krizaj, Yugoslavia, 90
16. Jonas Nilsson, Sweden, 83
17. Gustav Oehrli, Switzerland, 80
18. Anton Steiner, Austria, 76
19. Richard Pramotton, Italy, 75
20. Robert Erlacher, Italy, and Erwin Resch, Austria, 72

Hockey

NHL Standings

WALES CONFERENCE

Patrick Division

	W	L	T	Pts	GF	GA
Philadelphia	40	16	4	84	258	182
Washington	35	17	5	75	227	182
NY Islanders	28	20	10	66	238	209
Pittsburgh	27	24	7	61	231	204
NY Rangers	28	26	4	60	205	197
New Jersey	18	37	3	39	215	274
Adams Division						
Quebec	33	23	4	70	248	212
Montreal	32	22	6	70	256	202
Boston	27	25	7	61	230	219
Buffalo	27	26	6	60	223	214
Hartford	28	29	2	58	239	238
CAMPBELL CONFERENCE						
Norris Division						
Chicago	29	23	8	66	265	258
St. Louis	26	24	8	60	231	219
Minnesota	24	26	9	57	241	225
Toronto	17	36	6	40	231	292
Detroit	12	41	5	29	192	302
Smythe Division						
Edmonton	41	13	6	88	318	242
Calgary	27	24	7	61	255	230
Los Angeles	19	34	6	44	212	289
Vancouver	17	31	9	43	209	239
Winnipeg	18	36	6	42	216	281

THURSDAY'S RESULTS

St. Louis 0 1 1—2
N.Y. Rangers 1 0 2—3

Larouche 2 (9), Brooke (22); Flockhart (19), Norwood (2). Shots on goal: St. Louis (on Vanbiesbrouck) 6-10-10—26; New York (on Wamsley) 11-19-7—37.

Los Angeles 1 0 2—3
Philadelphia 2 2 1—5

Eklund 2 (12), Kerr (43), Rich Sutter (12), Howe (20); Erickson (14), Paterson (7), McKenna (7). Shots on goal: Los Angeles (on Jensen) 12-7-11—30; Philadelphia (on Melanson) 14-8-18—42.

Quebec 2 1 0 0—3
New Jersey 1 0 2 1—4

Hlemer (1), Sullivan (14), Bridgman (18), Preston (16); Picard (7), Malone (9), Goulet (38). Shots on goal: Quebec (on Resch) 11-12-6-4—33; New Jersey (on Gosselin) 8-6-9-1—24.

Toronto 3 2 1 1—7
Calgary 2 3 1 0—6

Valve 2 (21), P.Ihnacak (14), M.Ihnacak (2), Courtnall (17), Fergus 2 (25); Bozek (16), Loob (18), Suter (11), Macoun (9), Reinhart (6), Risebrough (12). Shots on goal: Toronto (on Lemelin) 12-10-9-2—33; Calgary (on Wregget) 10-16-6-0—32.

Baseball

Major League Salary Arbitration

Salary-arbitration decisions through Feb. 20 (hearings are continuing):

CLUB WINNERS

Seattle first baseman Alvin Davis sought $550,000; awarded club's $400,000 offer (earned $225,000 in 1985).

Philadelphia catcher Alan Knicely sought $140,000; awarded club's $80,000 offer (1985 salary not available).

San Diego outfielder Kevin McReynolds sought $450,000; awarded club's $275,000 offer (earned $150,000 in 1985).

Chicago White Sox outfielder Ron Kittle sought $500,000; awarded club's $400,000 offer (earned $300,000 in 1985).

Atlanta reliever Jeff Dedmon sought $270,000; awarded club's $200,000 offer (earned $150,000 in 1985).

Minnesota third baseman Gary Gaetti sought $675,000; awarded club's $515,000 offer (earned $415,000 in 1985).

Cincinnati outfielder Eddie Milner sought $530,000; awarded club's $350,000 offer (earned $300,000 in 1985).

California outfielder Gary Pettis sought $425,000; awarded club's $300,000 offer (earned $125,000 in 1985).

Los Angeles first baseman Greg Brock sought $440,000; awarded club's $325,000 offer (earned $150,000 in 1985).

Houston reliever Bill Dawley sought $435,000; awarded club's $325,000 offer (earned $295,000 in 1985).

Cleveland shortstop Julio Franco sought $740,000; awarded club's $575,000 offer (earned $455,000 in 1985).

Seattle pitcher Mike Moore sought $530,000; awarded club's $400,000 offer (earned $207,500 in 1985).

Minnesota catcher Tim Laudner sought $250,000; awarded club's $155,000 offer (earned $145,000 in 1985).

Boston catcher Rich Gedman sought $1 million; awarded club's $650,000 offer (earned $477,500 in 1985).

N.Y. Met second baseman Wally Backman sought $425,000; awarded club's $325,000 offer (earned $200,000 in 1985).

Texas outfielder Gary Ward sought $930,000; awarded club's $865,000 offer (earned $695,000 in 1985).

N.Y. Met pitcher Ron Darling sought $615,000; awarded club's $440,000 offer (earned $230,000 in 1985).

PLAYER WINNERS

Seattle outfielder Phil Bradley awarded his $475,000 request; club offered $375,000 (earned $126,378 in 1985).

Kansas City pitcher Charlie Leibrandt awarded his $770,000 request; club offered $550,000 (earned $225,000 in 1985).

Seattle catcher Bob Kearney awar[illegible] $300,000 request; club offered $215,000 (earned $183,000 in 1985).

Minnesota pitcher Frank Viola awarded his $674,000 request; club offered $525,000 (earned $375,000 in 1985).

Cincinnati catcher Dave Van Gorder awarded his $150,000 request; club offered $75,000 (earned $60,000 in 1985).

Kansas City first baseman Steve Balboni awarded his $525,000 request; club offered $350,000 (earned $205,000 in 1985).

Detroit pitcher Dave LaPoint awarded his $550,000 request; club offered $410,000 (earned $380,000 in 1985 at San Francisco.

Kansas City pitcher Bret Saberhagen awarded his $925,000 request; club offered $625,000 (earned $158,000 in 1985).

California pitcher Ron Romanick awarded his $425,000 request; club offered $250,000 (earned $146,500 in 1985).

Boston second baseman Marty Barrett awarded his $425,000 request; club offered $325,000 (earned $272,500 in 1985).

N.Y. Met pitcher Ed Lynch awarded his $530,000 request; club offered $400,000 (earned $330,000 in 1985).

Montreal pitcher Bryn Smith awarded his $700,000 request; club offered $500,000 (earned $290,000 in 1985).

St. Louis pitcher Ricky Horton awarded his $275,000 request; club offered $215,000 (earned $110,000 in 1985).

Cleveland outfielder Brett Butler awarded his $850,000 request; club offered $600,000 (earned $450,000 in 1985).

Los Angeles pitcher Orel Hershiser awarded his $1 million request; club offered $680,000 (earned $272,000 in 1985).

Transition

BASEBALL

American League

CLEVELAND—Announced Brett Butler, outfielder, won his arbitration case.

TEXAS—Announced Gary Ward, outfielder, lost his arbitration case.

National League

CINCINNATI—Signed Rob Murphy, pitcher, and Paul O'Neill, outfielder.

LOS ANGELES—Announced Orel Hershiser, pitcher, won his arbitration case.

NEW YORK—Announced Ron Da[illegible] pitcher, lost his arbitration case.

PITTSBURGH—Signed Mike Diaz, [illegible]er, and Bob Walk, pitcher.

BASKETBALL

[illegible] Basketball Association

[illegible]ed Xavier McDaniel [illegible] Rollins and Kevin [illegible], respectively, [illegible]ing in a game last Monday in Seattle.

WASHINGTON—Signed Kevin McKenna, guard, for the remainder of the season.

FOOTBALL

National Football League

ST. LOUIS—Named Leon McLaughlin special assistant.

HOCKEY

National Hockey League

[illegible] Adam Oates, center; [illegible] wing, and Ed Mio, goal[illegible] of the American [illegible] and Lane [illegible]

هكذا من الاصل

POSTCARD

Heights of Soviet Fashion

By Anna Christensen
United Press International

MOSCOW — Models slink down the runway in layer upon layer of tunics and wide-shouldered bulky sweaters, turbans and leg warmers in bold geometric prints, stripes and checks of bright turquoise, purple, red, yellow.

For more than two hours, six women and five men promenade in fashions by Slava Zaitsev, the czar of Soviet couture. Zaitsev's new creations range from stark black-and-white coats and coat dresses of the "Streets of Moscow" collection to a fantasy line of floating gold evening dresses and veils straight out of the Arabian nights. Space-age electronic music accompanies the unveiling of Zaitsev's avant-garde "technical clothes," gray and beige wool parkas with snaps, buckles, belts and high collars meeting peaked hats.

This is a far cry from the comic Soviet fashion scene portrayed in an American fast-food commercial, in which a rotund woman lumbers along the runway time after time in the same shapeless dress, adding a flashlight for "night vear" and a beachball for "beach vear."

Or is it?

"It's just a demonstration, for looking at," said a middle-aged woman at the fashion show, echoing the popular belief. "I've never seen anyone wearing them."

"I think they're interesting clothes, but I'm not sure I would wear them," said a young man.

Zaitsev's House of Fashions, the best-known of 36 Soviet fashion houses, caters to actors, dancers and families of the elite.

"Constructions this year are more complicated," the designer said, narrating the show; he wore a tight white suit with elbow-length sleeves. "People want different things. One loves the classics, another likes folklore, another a romantic look. This is typical of the Russian people."

The audience at Zaitsev's showings is well-dressed by Soviet standards, with soft cowl-neck sweaters and woolen skirts rather than the drab synthetic suits usually worn by women in daytime. These spectators may never wear the new fashions, but most spectators greet the bold designs with especially enthusiastic applause.

The rest are too busy capturing the lines in hasty sketches.

"Good," a young man said to his friend, nodding at her drawing. The sketch probably will be used to design a pattern out of newspaper for making a copy of Zaitsev's jacket. Or it may be taken to a tailor, with a bolt of good fabric if the customer is lucky, with synthetic material otherwise.

A sign over the House of Fashion coat rack says appointments can be made for a fitting. But even if you have the 200 to 500 rubles ($260 to $650), which is more than the average monthly wage for a Soviet worker at the low end of the scale, you are not guaranteed a fitting.

"If you have connections, it's possible to get a fitting or to buy one of the models when the line is no longer shown," said one well-connected woman. "Even if you have the money, you can't walk in and make an order."

The stylish outfits worn by Raisa Gorbachev, wife of the Soviet leader, are the work of five designers at the House of Models, located in a pre-revolutionary building in the shadow of the Kremlin. The fashionable Mrs. Gorbachev has broken the mold of the anonymous Kremlin spouse and brought world attention to Soviet couture.

Mrs. Gorbachev has frequented the House of Models exclusively for five years. She first visited as the wife of an up-and-coming member of the Politburo, when she brought one designer, Tamara Mokeyeva, a bolt of good wool to be made into a suit.

Last year, Mokeyeva designed the suits Mrs. Gorbachev wore when she accompanied her husband on state trips to Paris and Geneva.

As the first lady's designer, Mokeyeva is on the front lines of the battle to change the Soviet woman's image as a bent, rotund lump in drab, shapeless clothes.

Surrounded by snips of fabric, drawings and models of fashions that will be submitted to Soviet factories for possible production, Mokeyeva is aware of the privilege and responsibility of designing clothes that are in the international spotlight.

"We were so nervous when she went to Paris," she said of Mrs. Gorbachev. "How would they receive her, we wondered. It is quite a responsibility. In Paris, they know fashion. There can be no mistake."

The Enduring Charm of 'Queen Lucia'

By Enid Nemy
New York Times Service

Star Black/The New York Times

Lucia fan Chauncey Howell, who climbed to the top of "Tilling" church tower.

NEW YORK — Chauncey Howell, the feature reporter on WNBC-TV's "Live at Five," loves her. William T. Beaty, executive director of the Ittleson Foundation, says he's "a nut about her." As for Lowell Iberg, a retired public-welfare executive and past president of the National Council on Aging, he describes his reaction as "hooked."

Then there is Benita Feurey, New York metro editor of Good Housekeeping Magazine, who is "crazy about her," and Patrick O'Connor, a senior editor at Warner Books, who calls himself "a passionate fan."

The object of all this adulation has been entrancing and enchanting and, yes, even profoundly irritating admirers for more than half a century. She was adored by such luminaries as Gilbert Seldes, Cyril Ritchard, Alec Wilder and Gertrude Lawrence, and Noël Coward once said that when it came to her, he was "like a fish on a hook."

"When her admirers surface, they're manic," said a woman who wished to remain anonymous lest the admirers be upset with her. But the fed-up lady is quite correct.

Fans of E.F. Benson's Lucia are, if not manic, extremely vocal in their enthusiasm. They are committed to proselytizing, because they regard with pity and sorrow anyone who has not made Lucia's acquaintance.

She had her debut in the 1920s in Benson's book "Queen Lucia," which presented her as the monarch and social despot of a fictional English town called Riseholme. Her adventures continued in other books, but halfway through her story she was moved to another fictional town, Tilling, very likely so that Benson could pit her against an equally irritating and fascinating woman named Miss Elizabeth Mapp.

Benson, the son of an archbishop of Canterbury, who churned out something like 110 books, wrote only six about Lucia and Miss Mapp before he died in 1940. But almost from their introduction, they became a cult that would involve for successive generations of readers on both sides of the ocean. In the late 1940s, "Make Way for Lucia," a three-act comedy based on the books, played on Broadway. Written by John van Druten, it starred Isabel Jeans as Lucia and Ritchard as her friend Georgie.

Several years later, as happened from time to time, the books were out of print. In the 1950s, Lawrence, W.H. Auden and Ritchard were among the devotees listed by a New York bookstore as "willing to pay anything for Lucia books."

All six volumes are available now, reissued in paperback by Harper & Row at $3.95 each. "Mapp and Lucia," a British mini-series, will be shown this summer on U.S. public television.

Beaty, whose vision of Lucia is something on the order of the British actress Maggie Smith, was introduced to the books many years ago when he visited Rye, in East Sussex, about 60 miles (100 kilometers) from London. Rye, the site of the Henry James house that was taken over by Benson and his brother after James's death, is generally believed to be the fictional Tilling. Luciaphiles also believe that it is the James house that Lucia finally worms out of Miss Mapp.

"I never stop reading the books," Beaty said. "They're a constant source of amusement, and I always find something new to chuckle over."

O'Connor takes credit for turning on untold numbers of men and women to the joys of reading the Benson books, as well as talking several companies into publishing the books over the years.

"The books were scarce as hen's teeth, and I schemed to get them done," he said. His initial scheming was, he recalled, "a total disaster — the books sank without a trace." But in the early 1970s, he convinced another publishing company to give them a try. This time they came out in one thick volume, which O'Connor says sold 65,000 copies.

Since then, O'Connor and a friend, Mario Sartori, have organized a Miss Mapp Society, which meets occasionally for "tea and gossip" and commemorates Benson's birth and death dates. The society has about 60 members, from doctors and lawyers to publishers and writers.

What makes him so passionate about the books? "They're a total world with its own conventions and its own language," O'Connor said.

Howell also made a pilgrimage to Rye about five years ago and climbed to the top of the local church tower "to see if it would have been possible to see Lucia doing her Grecian exercises from there — it would have."

Iberg went to Rye because he was interested in Henry James. While there, he went to a bookstore for a James work, found they were out of stock and accepted a suggestion to try Benson. "I started reading, and I was hooked then and there," he said.

For Alan Levenstein, executive vice president of the Bozell, Jacobs, Kenyon & Eckhardt advertising agency, the appeal of the books lies in their wit. "It's the kind of satiric wit you don't see anymore," said Levenstein. "The books create an entire world for you to step into, and the world goes on from book to book."

Feurey rereads the books whenever she is depressed. "They cheer me up," she said. "They're like meeting old friends — I think I know them by heart.

"What I love about Lucia is that she does petty things that aren't at all harmful, and really don't hurt anybody, and that we'd all like to do sometimes, but don't."

Like most Luciaphiles, Feurey also proselytizes whenever she can. "I take full credit for turning on at least a quarter of New York to them," she said.

PEOPLE

London Landlord Loses

The Duke of Westminster, who is believed to be the richest man in Britain, lost a bid Friday before the European Court of Human Rights in Strasbourg to upset the 1967 Leasehold Reform Act, which forced him to sell some of his London property to tenants at below-market prices — thus, he argued, costing him more than £2.5 million ($3.6 million). The legislation, enacted under **Harold Wilson**'s Labor government, was designed to abolish long leaseholds and give tenants the right to buy houses they built on rented land. The duke owns much of London's exclusive Mayfair and Belgravia districts. The court decision is expected to encourage others to buy their homes under the act.

□

The man they were calling "good ol' Prince Chuck" has left Texas after slicing a piece of what was billed as the world's largest cake, dining with **Lady Bird Johnson** at the **Lyndon B. Johnson** Library and attending a concert headlined by **Willie Nelson. Prince Charles** grinned in bemusement as he was presented in Austin with three $200 cowboy hats (one for him, two for his sons, **Princes William** and **Harry**). To cut the 90,000-pound (40,000-kilogram) cake, he wielded a 22-carat gold replica of a sword **Sam Houston** carried at the Battle of San Jacinto, where Texas won its independence. The prince was to spend the weekend in Palm Springs, California, to play polo and see some family friends — **Lee** and **Walter Annenberg.** . . . Charles's parents, **Queen Elizabeth II** and **Prince Philip,** left Nepal on Friday for a nine-day visit to New Zealand.

□

An early book by **John Kennedy Toole,** whose "A Confederacy of Dunces" won a Pulitzer Prize 12 years after he committed suicide, will remain unpublished, a judge in New Orleans has ruled. **District Judge Gerald P. Fedoroff** said **Rhoda Faust,** a bookstore owner, failed to prove she had a contract with **Thelma Toole,** the writer's mother, who in her will forbade the publication of "The Neon Bible," completed when Toole was 16. In a 1984 suit filed about a week before Mrs. Toole died, Faust claimed she was given permission in 1979 to have the work published. . . . Viking plans to publish an authorized biography of **Anatoli B. Shcharansky** by the British historian **Martin Gilbert.**

□

The BBC says it has signed **Ronnie Corbett** for another series of the "Two Ronnies" comedy shows with **Ronnie Barker,** throwing doubt on Australian government officials' claims that Corbett was moving to Australia. The BBC suggested that the Australians had confused an emigration permit with a work permit, saying that the comedian would visit Australia in May.

□

A restaurant that allows its customers to pay whatever they like has opened in London. Called Just Around the Corner, it claims to be the first of its kind in London. **Peter Ilic,** 35, head chef and owner, says customers so far are being surprisingly fair-minded. The general manager, **Charles Nagy,** said one couple "played a joke by paying £5 for a five-course meal before offering £50." The Yugoslavian-born Ilic owns three other London restaurants where customers pay the usual way.

□

Marcel Ophuls, the French director whose film "The Sorrow and the Pity" described French collaboration with the Nazis, is making a movie about the life of the Nazi war criminal **Klaus Barbie.** Ophuls is filming most of the movie in Lyon, where Barbie is awaiting trial for his actions as chief of the Gestapo there. "It's only thanks to some Americans that I'm able to make this film," Ophuls said. "I had no support whatsoever in France. The people financing the project are mostly Jews from New York and Washington whom you could situate politically on the left."

□

The environmentalist group Greenpeace plans to hold a rock concert in Auckland, New Zealand, to raise money to replace its flagship, Rainbow Warrior, destroyed in Auckland harbor last year by French secret agents. The concert promoter, **Ian Magan,** said participants would include **Neil Young, Graham Nash, Bonnie Raitt** and **Jackson Browne.**

INTERNATIONAL CLASSIFIED

ANNOUNCEMENTS

SPORTS NEWS FROM THE USA. Subscribe to the monthly Overseas Sports Digest, 4620 Kester Ave., #107, Sherman Oaks, CA 91403. US $30 yearly includes postage. Check or money order.

WHICH PARIS SCHOOL is Right for your Child? A rare opportunity to talk with 19 int'l and French schools. February 26 from 7.30 - 9.30 pm at A.C.P., Grand Salon. Reserve WICE: 45-55-84-21 Paris.

NORMA McCAW, CONSERVATOR, opens her new London studio on 17 February 1986 for the care of works of art on paper. Tel: 01-602 0757.

ALCOHOLICS ANONYMOUS in English. Paris (daily) 4634 5965. Rome 678 03 20.

ENGLISH VIDEO CLUB in Paris. Films delivered & collected. Call Reels on Wheels: 45 42 58 66

DOMINICAN DIVORCES. Box 20802, Santo Domingo, Dominican Republic.

PERSONALS

TO MPS-2 AND HIS MOST popular bride: Congratulations from all your friends and enemies.

HAVE A NICE DAY! BOKEL. Have a nice day! Bokel.

MAY YOU LIVE EVERY DAY OF your life. Rolf Kersten

NORMAN IS THAT YOU? Call. Love, Some Time Next Year.

MOVING

interdean
WHO ELSE FOR YOUR NEXT INTERNATIONAL MOVE
FOR A FREE ESTIMATE CALL

AMSTERDAM:	(071) 89.93.24
ANTWERP:	(03) 234 29 24
ATHENS:	(01)961.12.12
BARCELONA:	(03)6523111
BONN:	(02241)66062
BREMEN:	(0421)170591
BRUSSELS:	(02)720.95.63
CADIZ:	(956)863144
FRANKFURT:	(06190)2001
GENEVA:	(022)43.85.30
LONDON:	(01)961.41.41
MADRID:	(01)671.24.50
MANCHESTER:	(061)7072016
MUNICH:	(089)1415036
NAPLES:	(081)7801622
PARIS:	(1)30249000
ROME:	(06)5269342
VIENNA:	(0222)955520
ZURICH:	(01)363.20.00

MOVING

ALLIED
WORLDWIDE MOVING
PARIS: DESBORDES (1) 43 43 23 64
BRUSSELS: ZIEGLER (02) 425 66 14
FRANKFURT L.M.S. (069) 250066
DUSSELDORF: L.M.S.
RATINGEN: L.M.S. (02102) 45023
MUNICH L.M.S. (089) 142244
LONDON AMERTRANS (01) 953 3636
USA: ALLIED VAN LINES (0101) 312-681-8100

CONTINEX. Small & medium moves, baggage, cars worldwide. Call Charlie: Paris 42 81 18 81 (near Opera).

REAL ESTATE FOR SALE

FRENCH PROVINCES

PICARDIE - AMIENS Gentleman's Estate 10 km from tunnel's exit, main house, 2 guest houses, indoor pool, tennis in private park. Write or call European Rentals, 127, Ave. F. Roosevelt, Box 28, 1050 Brussels, Belgium. Tel: 672 75 39.

ANTIBES: 1st floor, 4 room luxury appointed flat overlooking yacht marina, marble floors, central heating, built-in cupboards, sliding windows to back & front terraces, garage. £95,000. Tel: 010-33-93 33 60 13

URGENT SALE OF AN extraordinary 4 bedroom apartment in Cannes by the owner at under value price of F6,700,000. Tel: (93) 63 99 65

THIS IS YOUR CHANCE IN CANNES. Dreamy, big house, terrific view & pool, etc. $1 million Tel: 93 99 45 39

GREECE

PELOPONNESE NEW LUXURY villa in traffic-free holiday complex within easy reach Athens. Private year-round boat mooring on sea-water canal at foot of garden with direct access to sea. 5 minutes walk to clean, safe beach. 3 bedrooms, large living-dining with 2 patios and fitted kitchen area, study or 4th bedroom, 2 showers, 2 WCs, outside store or maid's room. Price $120,000 Tel: Athens 6710062, 5 - 8 pm Greek time.

SPETSES ISLAND, PALEO Limani. Large lovely old stone house. 1,500 sq.m. $160,000. Tel Athens 7227715.

Top level jobs domestic and international
$50,000 - $250,000+

EXECUTIVE SEARCH KNOWS NO FRONTIERS...
The "ICA Executive Search Newsletter" is a unique publication created in 1974. It has readers in 60 countries and lists in exclusivity more than 500 domestic and international job opportunities each year ranging from $50,000 to $250,000+ or equivalent.

The information is provided only by reputable executive-search firms in the US, Europe and many other countries at no cost to them. These true search Consultants never advertise their assignments in any publication of any kind. They use the "ICA Executive Search trade newsletter" only to supplement their own made-to-measure search procedures. Subscribers can read the newsletter at home in full security. If opportunities interest them, they write to us and we pass on the inquiries to the Consultants concerned who will then contact suitable candidates directly.

The newsletter is thus a simple way of keeping in touch with possible opportunities at home and abroad, in complete confidence - which makes sense even if your present job is satisfactory. Only subscribers can have access to these opportunities.

Airmail subscription rate for 10 issues: US$185.

Subscribers reading in countries with currency-control regulations will receive a proforma invoice upon request.

Write for free specimen copy (and save 40% on regular subscription price) - Pay only $110 instead of $185.

International Classified Advertising, Inc.
I.C.A. Dep IHT
575 Madison Avenue
New York N Y 10022 - USA
NEW YORK PARIS
40% off
ICA INC IS LOOKING FOR EXCLUSIVE COUNTRY DISTRIBUTORS WORLDWIDE

REAL ESTATE FOR SALE

GREAT BRITAIN

LONDON CHARMING Pied-a-terre in Lowndes Square, Knightsbridge. Spacious one-bedroom, recently decorated with new kitchen. Available furnished or unfurnished. Exceptional buy. Tel: 01-2354655.

MONACO

CENTER MONTE-CARLO
"LES FLORALIES"
VARIOUS STUDIO-APARTMENTS
for sale (occupied or vacant) in one of the most luxurious residential buildings next to the famous Casino. For further details please contact
The Exclusive Agent:
A.G.E.D.I.
26 bis, Bd Princesse Charlotte
MC 98000 MONACO
Tel (93) 50 66 00 - Tlx 479 417 MC

PARIS & SUBURBS

7TH HIGH CLASS
Ideal pied-a-terre, 80 sq.m., 'Vielle France'. Tel: 43 80 26 08
AGENCE DE L'ETOILE
Telex 643310

SWITZERLAND

SWITZERLAND
GSTAAD VALLEY
Attractive 2 to 5 room apartments available for foreigners, in typical Swiss chalets in Chateau d'Oex. Beautiful view, quiet and centrally located. Prices from SF290,000. Favorable mortgages at 6½ % interest. Apartments Also Available in Montreux on Lake Geneva & other mountain resorts. Contact:
GLOBE PLAN S.A.
Av Mon Repos 24,
CH-1005 Lausanne, Switzerland.
Tel: (21) 22 35 12 Tlx: 25185 MELIS
Visits welcomed - Also weekends

SWITZERLAND

Foreigners can buy STUDIOS/APARTMENTS / CHALETS, LAKE GENEVA - MONTREUX or in these world famous resorts. CRANS-MONTANA, LES DIABLERETS, VERBIER, VILLARS, CHATEAU D'OEX, JURA & region of GSTAAD. From SF110,000. Mortgages 60% at 6½% interest.
REVAC S.A.
52 Montbrillant, CH-1202 GENEVA.
Tel: 022/341540. Telex: 22030

LUXURIOUS LAKESIDE APARTMENT + HOUSES AND OTHER HIGH CLASS PRIVATE PROPERTIES IN SOUTHERN SWITZERLAND AND AREA OF ST. MORITZ, LAKE LUCERNE, ZURICH.
PRICES SF350,000 - 1,250,000
EMERALD HOME LTD
Via G. Cattori 3,
CH-6900 Lugano. Tel 91-542913
Tlx: 73612 Home

LAKE GENEVA + LUGANO, Montreux, Gstaad region, Locarno & many mountain resorts etc. Foreigners can buy superb new apartments/chalets/villas. All prices. Large choice. Swiss residency possible. H SEBOLD S.A., Tour Grise 6, CH-1007 Lausanne 21/252611. Lugano office 91/687648

USA GENERAL

CONNECTICUT and NEW YORK. Richard Burke R.E. (203) 972-0000.

REAL ESTATE TO RENT/SHARE

ARGENTINA

BUENOS AIRES - fully equipped 3 bedroom, 2 baths luxury apartment 2 years. Monthly $1,600. No children Call N.Y. (212) 410-0530.

AUSTRIA

VIENNA'S HOUSING AGENCY. 0222-527964, Hodosy, Graben 31. Rentals. apartments, flats. houses.

GERMANY

BONN: SPACIOUS furnished houses, fully equipped, up to 6 persons. DM130 to 250 per day. Bonn's Housing Agency: Monika Chimwuba. Tlx. 886 9655 CHIM D. Tel: (0) 228-224345

REAL ESTATE TO RENT/SHARE

GREAT BRITAIN

LONDON KENSINGTON & Chelsea. Newly refurbished and immaculate flats to let from £200 - £600/week, company let only. Tel: 01-373 1951, telex: 23186 SHIP G.

LONDON KNIGHTSBRIDGE, near Harrods, superb 1 bedroom, views, fireplace, furnished or unfurnished. Minimum 1 year. Tel: 727-5897.

MAYFAIR, LUXURY APARTMENTS. Fanar Properties. Tel: London 01-629 1788. Telex 263001 FANR UK G.

LONDON HAMPSTEAD LUXURY furnished 2 bedroom flat, private to company let. 01-722 5698 evenings.

HOLLAND

Renthouse International
020-448751 (4 lines)
Nederhoven 19-21, Amsterdam

DUTCH HOUSING CENTRE B.V. Deluxe rentals. Valeriusstr. 174, Amsterdam. 020-621234 or 623222.

PETER BRUIN MAKELAARDIJ BV for furnished lettings in Amsterdam. Call 020-768022. C. Krusemanstraat 5.

ITALY

LAKE MAGGIORE-STRESA wonderful villa, splendid view, 8 beds, 5 baths, 4 receptions, maid, park, golf-course 1 km. July $10,000, Write: Lanza via Della Sarga 9 - 20121 Milan Italy.

UNIQUE COUNTRY VILLA in the heart of vineyard. 30 minutes from Florence, superb setting, all comforts, 7-10 persons. Terrace + garden. Call Paris. 45 04 33 81

LUXURIOUS FLATS available weekly starting Easter time in 16th century villa in the Chianti countryside close to Florence. Phone 055/2480487 Italy

ON THE AMALFI'S COAST, nice, quiet panoramic flat in villa. Long / Short stay. Call Salerno (089) 238003.

REAL ESTATE TO RENT/SHARE

USA

Brand New
THE KIMBERLY
145 E. 50th
New York 10022
A Unique
Hotel Suite
Residence
offering
savings on 1 mo. -
2 yr. leases
featuring
Studio, 1-Bedroom &
2-Bedroom Suites
All magnificently
furnished and all with
luxuriously appointed
kitchens & marble baths.
Executive Services Available
Model Suites
(212) 371-8866

PARIS AREA FURNISHED

74 CHAMPS-ELYSEES 8th
Studio, 2 or 3-room apartment.
One month or more.
LE CLARIDGE 43.59.67.97.

REAL ESTATE TO RENT/SHARE

PARIS AREA FURNISHED

SHORT TERM STAY. Advantages of a hotel without inconveniences, feel at home in nice studios, one bedroom and more in Paris. SOREUM. 80 rue de l'Université, Paris 7th. 4544 3940

16TH: TROCADERO 220 SQ.M. 2 bedrooms, large drawing room, fully equipped with laundry, must rent by April 86 to Oct. 86 or to Oct. - Dec. 87. Low rent: F8500; 47 27 10 80.

STUDIO TO 4 ROOMS. Week, month, year rates. Luxembourg & Montparnasse. No agency fees. 4325 3509.

EIFFEL TOWER. 2 bedrooms, 60 sq.m., quiet, safe. F6,000. Tel: 45 01 93 84.

SHORT RENTAL PARIS & Versailles. Tel: 39 16 09 64.

REAL ESTATE WANTED/EXCHANGE

SWISS FAMILY SEEKS TO RENT large seafront house, August 86, with 5 bedrooms & modern conveniences in ITALY, SPAIN or PORTUGAL. Please tel: Switzerland 21/56 81 44.

EMPLOYMENT

FOR THE FEATURE
INTERNATIONAL
POSITIONS
TURN TO PAGE 13

EXECUTIVE POSITIONS AVAILABLE

ADMINISTRATIVE/OFFICE MANAGER
American Security Products Company seeks administrative office manager for its London based operation. Must have previous experience in running small sales office, import/export, inventory control, purchasing, general office procedures. Must have unusual amount of initiative, sense of responsibility, organizational abilities. Excellent opportunity for any one willing to work long hours in fast-paced environment. Some travel. Call New York for immediate interview (212) 883-0004 or send resume to: Box 3251, Herald Tribune, 92521 Neuilly Cedex, France

International Business Message Center

ATTENTION EXECUTIVES
Publish your business message in the International Herald Tribune, where more than a third of a million readers worldwide, most of whom are in business and industry, will read it. Just telex us (Paris 613595) before 10 a.m., ensuring that we can telex you back, and your message will appear within 48 hours. The rate is U.S. $10.60 or local equivalent per line. You must include complete and verifiable billing address.

BUSINESS OPPORTUNITIES

U. S. A.
UNIQUE OPPORTUNITY
Established company seeks additional capital to promote revolutionary technological breakthrough in the nut tree industry. Over 300% increased production. High earnings projected for many many years. Participation in management company guaranteed
Write: Box 2935, Herald Tribune, 92521 Neuilly Cedex, France

4-STAR, 236-ROOM EILAT HOTEL opening '86 for sale. 29 % equity. Negotiating operator by major chain. Also seeking formation syndicate for major hotel project in Tel Aviv Tlx: 35770 - COIN Israel ext. GID.

COMPUTERS for business or personal use. Consultant services, sales, export. Customized programming. Special hard disc 10 meg F6250 net, 20 meg F6800. Export possible. Mr. Lawrence, Paris, Tlx 213822. Tel: (1) 4563 2989.

WELL ESTABLISHED, fine and small SAUNA-CLUB to sell in center of Germany. Management available if wanted. Please write: Box 3244, Herald Tribune, 92521 Neuilly Cedex, France

2ND PASSPORT 35 countries. GMC, 26 Kleomenov, 106 76 Athens Greece

BUSINESS OPPORTUNITIES

GIL - SECURITY - Int'l Ltd. Anti Terrorism Instructors, security & private investigators worldwide. Tlx: 342184 - CFMC IL Attn: Guzman, 13 Sharet St, Tel Aviv, Israel.

TOKYO - YOUR OWN OFFICE with bachelor accommodation, telex, car, phone, six months only. Also exchange similar facility Bahrain, Saudi considered. Reply Tokyo. Tlx: 2722172

BUSINESS SERVICES

INT'L
BEAUTIFUL PEOPLE
UNLIMITED INC.
U.S.A. & WORLDWIDE
A complete personal & business service providing a unique collection of talented, versatile & multilingual individuals for all social & promotional occasions.
212-765-7793
212-765-7794
330 W. 56th St., N.Y.C. 10019
Service Representatives Needed Worldwide.

HOW TO GET A 2nd PASSPORT, report - 12 countries analyzed. Details: WMA, 45 Lyndhurst Terrace, Suite 505, Central, Hong Kong.

TAX SERVICES

SERVICE BY MAIL AS LOW AS $50, U.S. Income Tax. 90 38 32 26 France.

FINANCIAL INVESTMENTS

SOUTH AFRICA, AVAILABLE TO further your interest in as well as out of South Africa, 2 reputable Swiss executives (investment advisor & attorney-at-law) are willing to accept another mandate while in South Africa. Between March 11 - 29, please contact: Cipher D 18-115054, Publicitas, CH-1211 Geneva 3.

DIAMONDS

DIAMONDS YOUR BEST BUY
Fine diamonds in any price range at lowest wholesale prices direct from Antwerp center of the diamond world. Full guarantee. For free price list write
JOACHIM GOLDENSTEIN
DIAMANTEXPORT
Established 1928
Pelikaanstraat 62, B-2018 Antwerp
Belgium - Tel: (32 3) 234 07 51
Tlx: 71779 syl b. At the Diamond Club.
Heart of Antwerp Diamond industry

OFFICE SERVICES

Your Office in Germany
we are "At Your Service"
- Complete office services at two prestige addresses.
- Fully equipped offices for the short term or the long term.
- Internationally trained office and professional staff at your disposal.
- Can be legally used as your corporate domicile for Germany/Europe.
- Your business operation can start immediately.

Lairco Business Services GmbH
Lairco-Haus am Holzhausenpark
Justinianstrasse 22
6000 Frankfurt am Main 1
Germany
Tel: 69-59 00 61
Telefax: 69-59 57 70
Telex: 414561

Your Swiss OFFICE
- Tel, Tlx, P.O. Box Services
- Company formations/administration
- Export Import service

RANKO GROUP LTD., Office Services
CH-6052 Hergiswil/ by Lucerne
Tel: (0041)41/953393, Tlx: 866111.

EMPLOYMENT

EXECUTIVE POSITIONS AVAILABLE

Manager Bank
Settlement Plan, France

IATA invites applications for the above Paris-based post. The successful candidate, male or female, will in general be required to coordinate and administer the daily operation of the BSP France and ensure that it produces the optimum efficiencies for participating Airlines and Agents

Candidates should:
- Have at least 20 years of airline and/or travel agency experience at a management level
- Be able to work at senior management level with airlines and travel agents and show unquestionable impartiality and discretion.
- Speak and write French and English fluently. Preference will be given to candidates who are bilingual
- Have a good understanding of accounting

Practical experience in most or all of the following areas will be a recommendation: airlines automated reservation/ticketing systems, travel agency sales reporting, airline revenue accounting and electronic data processing.
The duties will require a certain amount of travel in the BSP area and periodic travel abroad.
Salary will be in accordance with experience and qualifications.

Written applications with curriculum vitae & salary required are to be sent to: BSP SECRETARIAT, c/o ISP FRANCE, 16 rue FOREST, PARIS 18, FRANCE

EXECUTIVES AVAILABLE

EXECUTIVE
German, 49, broad international experience with leading US corporation in Germany, France & Italy
- Systems selling into the electronic industry, medical markets, engineering
- Business development in subsidiaries in France & Italy
- European marketing management for a profit center
- Finance management in Germany
- Fluent in German, English, Italian, French

Seeks GENERAL MANAGEMENT POSITION with responsibility for a European country or business unit in a company with growth potential. Please reply to
Box 2257,
I.H.T., Friedrichstr. 15,
D-6000 Frankfurt/Main

DUTCH EXECUTIVE with extensive management experience of international marketing organization industrial products, is looking for a challenging position. Age 38 and multilingual. Reply Box 3234, Herald Tribune, 92521 Neuilly Cedex, France

GENERAL POSITIONS AVAILABLE

SALES MANAGER
large American microcomputer manufacturer seek a
SALES MANAGER
FOR BENELUX
Must speak French, Dutch & English and have experience in the MICROCOMPUTER FIELD
salary commensurate with experience. Please reply to: Box 3253, Herald Tribune, 92521 Neuilly Cedex, France

INSPECTOR: Quality inspector in semiconductor assembly, for position in Kagoshima, Japan and Seoul, Korea. Familiar with assembly and inspection of microcircuit devices. English and Japanese language required. Must have hands-on experience. Perform periodic audits. Must be experienced in MIL-883 Method 2010 Visual Inspection. Submit resume: Quality Associates, 22311 Brookhurst, Suite K, Huntington Beach, CA 92646 USA.

FIRST OPTION FUND. '83-'85: +1200%. '86: +33%. Need associates. Gille, 27930 Miserey, France.

GENERAL POSITIONS WANTED

ASIA EXPERT, German Muslim 42, German/English/Japanese/some Arabic, and Bengali, 20 years resident Japan, Philippines, Brunei until Sept. 85 Bangla Desh, experienced counsellor on alcohol & drug problems, language tutor, social economical researching, seeks long term interesting assignment in Far-Middle-Near-East. Please reply to Box 2256, I.H.T., Friedrichstr. 15, 6000 Frankfurt/Main

EMPLOYMENT

GENERAL POSITIONS WANTED

BERNARD, PASCALE, cook, waitress, 26, 27, & Jonas 6 months are looking for management of a small French Restaurant on East Coast. Excellent references: Paris, Palm Springs, Geneva, & West Indies. Contact Mr or Mrs Bernard Paolme, Chef Lieu Dingy St Clair, 74230 Thones, France

BRITISH GRADUATE, 54, geologist with management experience in Africa, Brazil & Europe. Adaptable. Speaks French & Spanish. Resident France, prepared to travel. Contact Mr Lauria, Residence Rembrandt, rue de l'Estagnas, 64200 Biarritz. Tel: (16) 59 24 24 86

RECENT US TRAVEL SCHOOL graduate, BA French/Education, 2 years travel industry experience in Paris, seeks Paris position with int'l. airline or tour operator. Fluent French/good Spanish. Write to 6833-F Glenlake Pkwy., Atlanta, GA 30328.

ATTRACTIVE AMERICAN lady, 24, Paris based, B.A. in int'l affairs, advertising, journalism. Trilingual, dynamic person seeks challenging PR/PA position, personable, excellent references. Box 3221, Herald Tribune, 92521 Neuilly Cedex, France

YOUNG AMERICAN woman, highly organized, top experience, multilingual, European education, good presentation, seeks position with creative or artistic company as organizer assistant. Music-art major. Will relocate Paris. Call Switzerland: 021/35 23 55

NEED AN INTERPRETER or Teacher in Nice? French, English, German, Spanish. Mrs. Du Couedic, 50 Av. des Oliviers, 06610 La Gaude, France.

YOUNG FRENCH TRILINGUAL man seeks position as int'l courier. Tel: Paris 43 26 92 75.

SECRETARIAL POSITIONS AVAILABLE

URGENT! WE NEED A Young bilingual (French/English) private secretary. Commercial skills, attractive presentation, free to travel in Europe, for part-time assignments. Box 3254, Herald Tribune, 92521 Neuilly Cedex, France

EDUCATIONAL POSITIONS WANTED

COUPLE SEEK HIGH SCHOOL, religion, elementary, junior high TESL positions in American or international school for 1986-87 in Europe. Box 3216, Herald Tribune, 92521 Neuilly Cedex, France

EXPERIENCED QUALIFIED E.S.L. Instructor seeking serious full time position beginning Fall 1986. Please reply Box 2251, I.H.T., Friedrichstr. 15, D-6000 Frankfurt/Main

ASSISTANT Professor of English Language & Literature, M.A. Cambridge, Ph.D., seeks university post anywhere in the world, now. Box 42607, I.H.T., 63 Long Acre, London, WC2E 9JH.

DOMESTIC POSITIONS AVAILABLE

AU PAIR GIRL wanted for professional family with 2 children ages 4 & newborn to live in lovely new England colonial home. Prefer English speaking, European background. Reply to J.S. Awen, 360 Belmont St., Brockton, MA 02401.

AU PAIR/NANNY. Care for child, dog, Florida resort community, top pay, own room, TV & auto, non-smoker, driver, good English required. Send resume, photo, references: 19748 Oakbrook Circle, Boca Raton, FL 33434 USA.

AU PAIR to care for 3 year old & infant. Live in New Jersey. Short, easy commute to Manhattan. Light housekeeping. Mother at home. English speaking. Please send photo, phone number & letter to Linda Mergel, 154 Albright La., Paramus, N.J. 07652.

AU PAIR- Boy 10, girl 6. Light housekeeping, cooking, good English, drivers license, no smoking. Private room & bath, board, salary. Send photo, references & letter immediately to Wilson, P.O. Box 4129, Federal Way, Washington 98063 USA.

WANTED: FILIPINA with working papers for 2 girls aged 6 & 2½ for American family. References a must. Excellent pay & conditions. Free to travel & must live in. Box 3224, Herald Tribune, 92521 Neuilly Cedex, France

SEEKING EXPERIENCED FRENCH speaking nurse/nanny for 2-month old baby, to live in Switzerland & England. Please contact secretary Mrs. Novak, Sonnhaldestr. 29, CH-6052 Hergiswil or tel: 041/95 33 75.

NANNY - NYC - 1 baby girl, $150/week. Must cook, clean, iron, speak some English. 1 year minimum. Nice family. Call collect 203-622-6664 or write Goldstone, Stiles La., Greenwich, CT 06830.

EMPLOYMENT

DOMESTIC POSITIONS AVAILABLE

AU PAIR, DETROIT SUBURB. Care of toddler. Minimum 21 years. Non-smoker. Own room. References, resume. Scholtz, 4471 Ardmore, Bloomfield Hills, Michigan 48013.

AU PAIR-NYC SUBURB. 2 girls ages 3 & 6. Housekeeping & child care. English speaking. Send letter, photo & phone number to H. Bremner, P.O. Box 425, Great Neck, NY 11022.

DOMESTIC POSITIONS WANTED

COUPLE WITH OVER 30 YEARS experience in private service in the USA & Europe, seeks position in adult household. Will perform all domestic duties efficiently, including very superior cooking, service & housekeeping. Husband chef-butler, wife housekeeper, cook. Reliable and responsible. Excellent written, checkable references. Full USA status. Free to travel. Phone (UK) 0482 42343,Room # 1.

FEMALE FRENCH COOK, able to organize everything in the kitchen, seeks position in American or Arabic private home in Paris. Tel: 43 57 73 40 Paris.

YOUNG FRENCH GIRL 18, seeks au-pair, US experience. Tel: 45 51 92 48 Paris.

ENGLISH NANNIES & mothers' helps Nash Agency, 53 Church Rd, Hove, Sussex, UK. Tel: Brighton (273) 29044

AUTOMOBILES

CAR SWAP
Have VW-Rabbit 1984, Excellent Condition - Extras - Sitting Mid-Town Manhattan Garage. Looking to Exchange for Equivalent. Will Accept Delivery Geneva or Nearby
Phone Geneva: 22/86 17 86
New York (212) 755 1566

FOR SALE 2 CARS IN VERY good condition. ASTON MARTIN LAGONDA, color gold, white leather interior, 1982, 8000 km. Price: SF140,000. MASERATI, 4 doors, color marrone Colorado metallic, tobacco leather interior, 1982, 27,000 km. Price: SF65,000. Interested parties, tel Zurich, Switzerland. 01/211 92 20.

ROLLS-ROYCE 1984, Silver Spirit, walnut, very low mileage, US specs. Immaculate. F600,000. Telephone: Paris 47 20 64 30.

MERCEDES 280 SL + 230 SL, newly 100% restored by factory personnel, LHD. £9,500. Paris 45 44 09 87.

SILVER SPIRIT, 1984, excellent condition, call Paris 46 37 06 43.

AUTO RENTALS

CHARIC RENT A CARS. Prestige cars with phone: Rolls Spur, Spirit, Ferrari, Porsche, Mercedes, Jaguar, BMW, limousines, small cars. 46 r Pierre Charron, 75008 Paris. Tel: 4720.3040. Telex 630797 F CHARLOC.

AUSTRIA & EAST EUROPE US$15.00 per day. Autohansa, Franzensbrueckenstr. 8, A-1020 Vienna. Tel: 241694.

AUTO SHIPPING

SHIP YOUR CAR TO & FROM USA VIA ANTWERP AND SAVE. Free hotel. Regular sailings. Airport delivery. AMESCO, Kribbestraat 2, Antwerp, Belgium. Tel: 231 42 39. Tlx 71469.

WORLDWIDE Car shipping & removals ATK, NV, Ankerrui 22, 2000 Antwerp, Belgium. 03/231 1653 Tx 31535

TRANSCAR 17 av de Friedland, 75008 Paris. Tel 4225 6444. Nice: 9383 9533. Antwerp 233 9985 Cannes 9339 4344

AUTO CONVERSION

DOT / EPA
PERSONALIZED & COMPLETE
CONVERSION SERVICE
Have your MERCEDES, BMW, PORSCHE or JAGUAR expertly converted to US standards, or if you do not yet have the car you wish to import, we may already have the car you want.
Our full services include: SALES, SHIPPING, BONDING / CUSTOMS CLEARANCE. Our work is fully GUARANTEED with our U.S. affiliates in every U.S. port. We are AICA members. Call or write to:
KIES AUTO CONVERSION,
P.O. BOX 70 03 44,
D-7000 STUTTGART 70.
Tel: (0711 76 09 66 or 72 10 13.
tlx 7255968 Ask for Julia.

DOT/EPA CONVERSIONS
Shipping, bonding, insurance. Door to door Europe to USA, acceptance guaranteed + Tax Free Cars.
European Automotive Compliance,
Govert Deynootweg 126,
2586 BP The Hague, Holland.
Phone (070-559245 Tlx 33230 EAC NL

AUTO CONVERSION

Mercedes-Benz Porsche BMW Ferrari
EPA/ DOT
CONVERSIONS
Fast turn-around time. All work done on premises. Sales & leasing.
ALPINE EXOTIC MOTOR CAR
114 Anderson Street
Hackensack, NJ 07601 USA
Tlx: 322234 201-48[illegible]467

E.P.A. - D.O.T. CONVERSIONS. We arrange customs clearance, shipping and bonding. For complete information, please write or call MARIO'S MOTORS, 6343 Beverly Hill, Houston, TX USA 77057. Tel: (713) 780-7934. Tlx: 795270 MARIO MTR HOU.

DOT/EPA CONVERSIONS to U.S. specs. Acceptance guaranteed. US CUSTOMS BONDS • NO DEPOSIT REQUIRED. VIA Corp., 11825 Bel Air Rd., Baltimore, Maryland 21087. Tel: 301-592-3200, Tlx: 4995689 VIA US.

AUTOS TAX FREE

(Green Automotive)
GA INTERNATIONAL
AUTO EXPORT TO:
U.S.A., Japan, Far East etc.
- Worldwide delivery of new and used European cars
- Conversion to your national specs. (EPA/DOT)
- USA delivery via L.A. & N.Y.
- Our own transport, shipping, insurance, import, bonding program
- USA/CAN/UK specs. Volvo's
- Jaguar/Daimler specialist.

GA INTERNATIONAL
14, Schijfstraat,
5061 KB OISTERWIJK, Holland
Tel 31-4242-17563 Tlx 52461 Gant/NL

MERCEDES BENZ
560 SEL/SEC Brand new
260 E smokesilver/leather blue DM 53,000
300 SE diamond blue/leather gray DM 75,000
300 SEL barolo red/leather palomino DM 79,000
300 SEL light ivory/leather palomino DM 80,000
500 SL black/leather black DM 85,000
200 T white/red, DM 37,000
All prices are net ex Munich/Germany
For more information on new Mercedes '86 models call us day and night
COS CORPORATION
Munich West Germany
Phone (8141) 26622, tlx 527697 COS D

MERCEDES / PORSCHE
New/used. Immediate delivery. Fa AVI,
Tel: Germany (0) 6234-4092, tlx. 464986

PAGE 13
FOR MORE
CLASSIFIEDS

DAKS
LONDON
EXCLUSIVE DAKS
CLOTHES FOR MEN
AND WOMEN AT
DAKS CORNER
SHOPS
LONDON
MUNICH
HONG KONG
DAKS and DD are registered trademarks of DAKS Simpson Group plc., DAKS Simpson Ltd., 34 Jermyn Street, London SW1Y. Tel: 01-439 8781.

Imprimé par Offprint, 73 rue de l'Evangile, 75018 Paris.

هكذا من الأعلى